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IF YOU ARE NOT THE INTENDED RECIPIENT OF THIS MESSAGE, PLEASE DO NOT DISTRIBUTE OR COPY THE INFORMATION CONTAINED IN THIS E-MAIL, BUT INSTEAD DELETE AND DESTROY ALL COPIES OF THIS E-MAIL. NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES DESCRIBED IN THE ATTACHED DOCUMENT HAVE NOT BEEN, AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“**REGULATION S**”), EXCEPT PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, SOLELY TO PURCHASERS THAT ARE QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT AND ARE QUALIFIED PURCHASERS UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “**INVESTMENT COMPANY ACT**”).

Confirmation of Your Representation: You have accessed the following information memorandum on the basis that you have confirmed your representation that (1) (i) you are outside the United States and not a U.S. person, each as defined in Regulation S, you are not acting on behalf of a U.S. person and, to the extent you purchase the securities described in the attached information memorandum, you will be doing so pursuant to Regulation S under the Securities Act, OR (ii) you are acting on behalf of, or you are, both a qualified institutional buyer as defined in Rule 144A under the Securities Act and a qualified purchaser under the U.S. Investment Company Act of 1940, as amended, AND (2) you consent to delivery of the attached information memorandum and any amendments or supplements thereto by electronic transmission. By accepting this e-mail and accessing the attached information memorandum, if you are an investor in Singapore, you (A) represent and warrant that you are either an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore (the “**SFA**”)) pursuant to Section 274 of the SFA, or are an “accredited investor” (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA. Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

**Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct:** Prospective investors should be aware that certain intermediaries in the context of this offering of the bonds, including certain Placement Agents, are “capital market intermediaries” (CMIs) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the SFC Code). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (OCs) for this offering and are subject to additional requirements under the SFC Code. Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association (Association) with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the bonds and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Placement Agent, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Placement Agent or its group company has more than 50% interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to this offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a “proprietary order”. If a prospective investor is otherwise affiliated with any Placement Agent, such that its order may be considered to be a “proprietary order” (pursuant to the Code), such prospective investor should indicate to the relevant Placement Agent when placing such order. Prospective investors who do not indicate this information when placing an

order are hereby deemed to confirm that their order is not such a “proprietary order”. Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to this offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including Private Banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Placement Agents and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. Failure to provide such information may result in that order being rejected.

You are reminded that you have accessed the attached information memorandum on the basis that you are a person into whose possession this information memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorized to deliver this document, electronically or otherwise, to any other person.

If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

The attached document has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the issuer or its placement agents or any of their respective directors, officers, employees, agents, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version. We or a placement agent will provide a hard copy version to you upon request.

**Restrictions:** The attached document is an information memorandum and is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein. You are reminded that the information in the attached document is not complete and may be changed. Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of either the issuer of the securities or its placement agents to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute a general advertisement or solicitation in the United States or elsewhere.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the placement agents or any affiliate of the placement agents is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the placement agents or their affiliates on behalf of the issuer in such jurisdiction.

**Actions that You May Not Take:** You should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected.

**YOU ARE NOT AUTHORIZED AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED INFORMATION MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH INFORMATION MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

You are responsible for protecting against viruses and other destructive items. Your use of this email is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Confidential Information Memorandum dated December 8, 2023

**WLB Asset VI Pte. Ltd.**

(Company Registration No. 201405 GBC)

(Incorporated in Mauritius)

**US\$88,000,000 7.25% Women's Livelihood Bonds due 2027**

WLB Asset VI Pte. Ltd., a corporation incorporated under the laws of Mauritius (the **"Issuer"** or **"we"**), is offering US\$88,000,000 in aggregate principal amount of 7.25% Women's Livelihood Bonds due 2027 (the **"Bonds"**). The Bonds will mature on December 21, 2027 (the **"Maturity Date"**). We will pay interest on the Bonds semi-annually in arrears on the interest payment dates falling on June 21 and December 21 of each year, commencing on June 21, 2024. The Bonds will be constituted by a trust deed (the **"Trust Deed"**) dated December 21, 2023 entered into among (i) the Issuer, (ii) Impact Investment Exchange Pte. Ltd. (**"Portfolio Manager"** or **"IIX"** as the context requires), (iii) The Bank of New York Mellon, London Branch in its capacity as the bonds trustee (the **"Bonds Trustee"**) and the security trustee (the **"Security Trustee"**). The obligations of the Issuer in respect of the Bonds are secured by a pledge and first ranking floating charge (the **"Security"**) made in favor of the Security Trustee over certain of the Issuer's bank accounts (the **"Charged Assets"**) maintained with Standard Chartered Bank (Mauritius) Limited (the **"Account Bank"**), but will otherwise constitute unsecured and unsubordinated limited recourse obligations of the Issuer, ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer (subject to any mandatory priority rights applying to companies generally pursuant to applicable law). For a discussion of the Security, see *"Terms and Conditions of the Bonds"* (the **"Conditions"**). The Issuer will use the proceeds from the issue of the Bonds to, *inter alia*, make loans (the **"Loans"**) to each of (i) First Finance Plc (**"First Finance"**), (ii) Ananya Finance for Inclusive Growth Private Limited (**"Ananya"**), (iii) Dvara Kshetriya Gramin Financial Services Private Limited (**"Dvara"**), (iv) Kinara Capital Private Limited (**"Kinara Capital"**), (v) Samunnati Financial Intermediation & Services Private Limited (**"Samunnati"**), (vi) SATYA MicroCapital Limited (**"Satya"**), (vii) PT Esta Dana Ventura (**"Esta Dana"**), (viii) Lenana Innovative Solutions Limited (**"Lenana"**), (ix) EVN Finance Joint Stock Company (**"EVN Finance"**) and such other borrowers as may be designated in accordance with the Conditions (together, the **"Borrowers"**), which are high impact enterprises located in South Asia, Southeast Asia and East Africa that will use the proceeds of the Loans to benefit underserved women.

The Issuer shall benefit from a partial guarantee provided by the Swedish International Development Cooperation Agency (**"Sida"**) (such guarantee, the **"Limited Guarantee,"** is set out in Appendix B of this Information Memorandum) of up to 40% of the net losses of principal incurred by the Issuer as a result of non-payment of principal of any Loan covered under the Limited Guarantee (each, a **"Guaranteed Loan"**), subject to certain qualification, concentration and other requirements, a maximum payment amount of 40% of the principal amount of each such Loan, and other conditions and limitations. For the avoidance of doubt, the Bonds are not guaranteed by Sida, or any other party, and investors have no recourse to the Limited Guarantee or to Sida.

We intend to apply for the listing and quotation of the Bonds on the Official List of the Singapore Exchange Securities Trading Limited (the **"SGX-ST"**). We cannot guarantee that the listing will be obtained. Admission to the Official List of the SGX-ST and quotation of any Bonds which are agreed at the time of issue thereof to be so listed on the SGX-ST are not to be taken as an indication of the merits of the Issuer, the use of the proceeds of the Bonds, the Borrowers or such Bonds. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Information Memorandum.

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the **"Securities Act"**), or the securities laws of any other jurisdiction. The Bonds are being offered and sold in the United States only to certain accredited and sophisticated investors in reliance on exemptions from the provisions of Section 5 of the Securities Act and Section 3(c)(7) of the United States Investment Company Act of 1940, as amended (the **"Investment Company Act"**) and to certain persons in offshore transactions in reliance on Regulation S under the Securities Act. Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this Information Memorandum constitutes an offer or an invitation by or on behalf of the Issuer, Australia and New Zealand Banking Group Limited (**"ANZ"**) or Standard Chartered Bank (Singapore) Limited (**"Standard Chartered Bank"**) (ANZ and Standard Chartered Bank are together the **"Placement Agents"**) to subscribe for or purchase any of the Bonds, and access has been limited so that it shall not constitute a general advertisement or solicitation in the United States or elsewhere. For further details about eligible offerees and resale restrictions, see *"Transfer Restrictions and Investor Representations."*

This Information Memorandum has not been and will not be registered as a prospectus with the Financial Services Commission of Mauritius (the **"FSC"**). This Information Memorandum will not be approved by the FSC. This Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds are not and should not be construed as advertisement or as an offer or sale of securities to the public. The FSC takes no responsibility for the contents of the Information Memorandum. The Bonds may not be offered or sold, directly or indirectly, to the public in Mauritius.

Neither this Information Memorandum, nor any other material or information contained herein relating to the offer or sale, or invitation for subscription or purchase, of the Bonds, may be treated as a prospectus and be released or issued to the public in Mauritius or used in connection with any such offer.

The directors of the Issuer hereby accept responsibility for the contents of the Information Memorandum and certify that to the best of their knowledge and belief, and after making reasonable inquiries, the Information Memorandum complies with the Securities Act 2005 of Mauritius (the “**Mauritius Securities Act**”), any regulations made under the Mauritius Securities Act or any FSC rules.

This Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds may not be circulated or distributed, nor may the Bonds be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore (the “**SFA**”)) pursuant to Section 274 of the SFA or (ii) to an “accredited investor” (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

The Bonds will be obligations of the Issuer only. In particular, the Bonds will not be obligations of, or the responsibility of, or guaranteed by Sida, the Portfolio Manager, the Placement Agents, the Bonds Trustee, the Security Trustee, the Account Bank, the Principal Paying Agent, the Registrar and Transfer Agent, the Corporate Services Provider, the Corporate Officer Provider, the Loan Administrator (each as defined or identified herein), any company in the same group of companies as the Portfolio Manager or the Placement Agents or any other party to the transaction documents. No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Bonds shall be accepted by any of the Portfolio Manager, the Placement Agents, the Bonds Trustee, the Security Trustee, the Account Bank, the Principal Paying Agent, the Registrar and Transfer Agent, the Corporate Services Provider, the Corporate Officer Provider, the Loan Administrator, any company in the same group of companies as the Portfolio Manager or the Placement Agents or any other party to the transaction documents.

Any subscription, purchase or acquisition of the Bonds is in all respects conditional on the satisfaction of certain conditions set out in each subscription agreement to be entered into among the Issuer, the Portfolio Manager and each investor in the Bonds (the “**Subscription Agreement**”) and the issue of the Bonds by the Issuer to you pursuant to the relevant Subscription Agreement. Any offer, invitation to offer or agreement made in connection with the purchase or acquisition of the Bonds or pursuant to this Information Memorandum shall (without any liability or responsibility on the part of the Issuer or the Placement Agents) lapse and cease to have any effect if (for any other reason whatsoever) the Bonds are not issued by the Issuer to you pursuant to the Subscription Agreement.

An investment in the Bonds involves certain risks. For a discussion of the risks affecting the Bonds that you should consider before buying the Bonds, see “*Risk Factors*” in this Information Memorandum.

YOU ARE NOT AUTHORISED AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED INFORMATION MEMORANDUM ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH INFORMATION MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

**Portfolio Manager**



**Placement Agents**



## NOTICE TO INVESTORS

We are furnishing this Information Memorandum on a confidential basis in connection with an offering that is exempt from registration under, or not subject to, the Securities Act or the securities laws of any other jurisdiction solely to allow prospective investors to consider the purchase of the Bonds. Delivery of this Information Memorandum to any other person or any reproduction of this Information Memorandum, in whole or in part, without our or the Placement Agents' prior consent is prohibited. The information contained in this Information Memorandum has been provided by us and other sources identified in this Information Memorandum. To the best of our knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this Information Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The information in this Information Memorandum is accurate only as of the date of this Information Memorandum, regardless of the time of delivery of this Information Memorandum or any sale of the Bonds. You should rely only on the information contained in this Information Memorandum.

The Bonds and the Limited Guarantee described in this Information Memorandum have not been registered with, recommended by or approved by the U.S. Securities and Exchange Commission (the "SEC") or any other federal, state or provincial securities commission or regulatory authority, nor has the SEC or any such federal, state or provincial securities commission or regulatory authority passed upon the accuracy or adequacy of this Information Memorandum. Any representation to the contrary is a criminal offense. The contents of this document have not been reviewed by any regulatory authority in any jurisdiction.

You must comply with all applicable laws and regulations in connection with the distribution of this Information Memorandum and the offer or sale of the Bonds. See "*Transfer Restrictions and Investor Representations*." You are not to construe the contents of this Information Memorandum as investment, legal or tax advice. You should consult your own counsel, accountant and other advisors as to legal, tax, business, financial and related aspects of a purchase of the Bonds.

This Information Memorandum is being provided on a confidential basis to certain accredited and sophisticated purchasers in the United States and in offshore transactions complying with Rule 903 or Rule 904 of Regulation S under the Securities Act. Its use for any other purpose is not authorized. This Information Memorandum may not be copied or reproduced in whole or in part, nor may it be distributed or any of its contents disclosed to anyone other than the prospective investor to whom it is being provided.

In making your purchase, you will be deemed to have made certain acknowledgements, representations and agreements as indicated in this Information Memorandum under the caption "*Transfer Restrictions and Investor Representations*." The Bonds are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable state securities laws pursuant to registration or exemption therefrom. As a prospective purchaser, you should be aware that you may be required to bear the financial risks of investing in the Bonds, which could include a complete loss of your investment. See "*Transfer Restrictions and Investor Representations*."

The Issuer will undertake, in connection with its application to list the Bonds to be issued on the SGX-ST, to immediately disclose to the SGX-ST any information which may have a material effect on the price or value of such Bonds or on an investor's decision whether to trade in such Bonds.

References in the Information Memorandum to "US\$" and "USD" are to the legal currency of the United States, and to "kr" and "SEK" are to the legal currency of Sweden.

This Information Memorandum has been prepared on the basis that any offer of Bonds in any Member State of the European Economic Area ("EEA") will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Bonds. The expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (as amended or superseded).

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**") or; (ii) a customer within the meaning of Directive 2016/97/EU (the "**EU Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore

offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

Any distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) (for the purposes of this paragraph, a “distributor”) subsequently offering, selling or recommending the Bonds is responsible for undertaking its own target market assessment in respect of the Bonds and determining the appropriate distribution channels for the purposes of the MiFID II product governance rules under Commission Delegated Directive (EU) 2017/593 (“**Delegated Directive**”). Neither the Issuer nor any of the Placement Agents make any representations or warranties as to a distributor’s compliance with the Delegated Directive.

This Information Memorandum has been prepared on the basis that any offer of Bonds in the United Kingdom (“**UK**”) will be made pursuant to an exemption under the UK Prospectus Regulation and the Financial Services and Markets Act 2000 (as amended, the “**FSMA**”) from the requirement to publish a prospectus for offers of Bonds. The expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”).

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Any distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) (for the purposes of this paragraph, a “distributor”) subsequently offering, selling or recommending the Bonds is responsible for undertaking its own target market assessment in respect of the Bonds and determining the appropriate distribution channels. Neither the Issuer nor any of the Placement Agents make any representations or warranties as to a distributor’s compliance with the UK MiFIR Product Governance Rules.

This document is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “**Financial Promotion Order**”), (ii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “**relevant persons**”). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

**EU SECURITISATION REGULATION** – The IIX Women’s Catalyst Fund, L.P. (the “**Retention Holder**”) will undertake to retain a material net economic interest in the securitisation transaction described in this Information Memorandum in accordance with Article 6(3)(d) of Regulation (EU) 2017/2402 (as amended and together with any related regulatory technical standards and implementing technical standards, any official guidance published in relation thereto by the European Banking Authority, the European Insurance and Occupational Pensions Authority or the European Securities and Markets Authority (including, in each case, any successor or replacement organisation thereto), and any implementing laws or regulations, the “**EU Securitisation Regulation**”), by means of its retaining ownership of the Subordinated Indebtedness in an amount not less than 5% of the outstanding principal balance of the Loans, and the Retention Holder will give certain other covenants and representations, all in the manner, and on the terms, summarised in this Information Memorandum. The investor reports will include a statement as to the receipt by the Issuer and the Portfolio Manager of a confirmation from the Retention Holder as to the holding of the Subordinated Indebtedness, which confirmation the Retention Holder will undertake to

provide to the Issuer and the Portfolio Manager on a semi-annual basis so that such confirmation can be included in the investor reports.

The Issuer shall be the designated entity for the purpose of Article 7(2) of the EU Securitisation Regulation and will undertake to make available to Bondholders and potential Bondholders such information as is required to be made available to such persons pursuant to Article 7(1) of the EU Securitisation Regulation. The Issuer intends this Information Memorandum to be a transaction summary or overview of the main features of the transaction contemplated herein for the purposes of Article 7(1)(c) of the EU Securitisation Regulation. See “*Regulatory Disclosure*” for further detail.

Under Article 5(1) of the EU Securitisation Regulation, each prospective investor in the Bonds to which the EU Securitisation Regulation applies is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction is sufficient to comply with the EU Securitisation Regulation or any other applicable legal, regulatory or other requirements.

Notwithstanding anything in this Information Memorandum to the contrary, none of the Issuer, the Retention Holder, Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents, their respective Affiliates, corporate officers or professional advisors or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy or otherwise comply with the EU Securitisation Regulation, the implementing provisions in respect of the EU Securitisation Regulation in their relevant jurisdiction or any other applicable legal, regulatory or other requirements other than, in the case of the Retention Holder and in such respect only for the benefit of the addressees of the Risk Retention Letter in accordance with the terms thereof, where such failure results from a breach of the Risk Retention Letter (as defined in the terms and conditions of the Bonds) by the Retention Holder. None of the Placement Agents has any responsibility to maintain or enforce compliance with the EU Securitisation Regulation. Each prospective investor in the Bonds which is subject to the EU Securitisation Regulation or any other regulatory requirement should consult with its own legal, accounting, regulatory and other advisors and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of which it is uncertain. See “*Risk Factors – Risks Related to the Bonds – Risks Related to EU and UK Securitisation Regulation and Due Diligence Requirements*.”

**UK SECURITISATION REGULATION** – The Retention Holder will undertake to retain a material net economic interest in the securitisation transaction described in this Information Memorandum in accordance with Article 6(3)(d) of Regulation (EU) 2017/2402 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”), including any relevant binding technical standards, regulations, instruments, rules, policy statements, guidance, transitional relief or other implementing measures of the FCA, the Bank of England, the Prudential Regulation Authority (the “**PRA**”), the Pensions Regulator or other relevant UK regulator (or their successor) in relation thereto (the “**UK Securitisation Regulation**” and, together with the EU Securitisation Regulation, the “**Securitisation Regulations**”), by means of its retaining ownership of the Subordinated Indebtedness in an amount not less than 5% of the outstanding principal balance of the Loans, and the Retention Holder will give certain other covenants and representations, all in the manner, and on the terms, summarised in this Information Memorandum. The investor reports will include a statement as to the receipt by the Issuer and the Transaction Administrator of a confirmation from the Retention Holder as to the holding of those Sponsor Preference Shares, which confirmation the Retention Holder will undertake to provide to the Issuer and the Portfolio Manager on a semi-annual basis so that such confirmation can be included in the investor reports.

The Issuer shall be the designated entity for the purpose of Article 7(2) of the UK Securitisation Regulation and will undertake to use reasonable endeavours to make available to Bondholders and potential Bondholders such information as is required to be made available to such persons pursuant to Article 7(1) of the UK Securitisation Regulation. The Issuer intends this Information Memorandum to be a transaction summary or overview of the main features of the transaction contemplated herein for the purposes of Article 7(1)(c) of the UK Securitisation Regulation. See “*Regulatory Disclosure – Due Diligence Requirements*” for further detail.

Under Article 5(1) of the UK Securitisation Regulation, each prospective investor in the Bonds to which the UK Securitisation Regulation applies is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction is sufficient to comply with the UK Securitisation Regulation or any other applicable legal, regulatory or other requirements.

Notwithstanding anything in this Information Memorandum to the contrary, none of the Issuer, the Retention Holder, the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents, their respective Affiliates, corporate officers or professional advisors or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy or otherwise comply with the UK Securitisation Regulation, the implementing provisions in respect of the UK Securitisation Regulation in their relevant jurisdiction or any other applicable legal, regulatory or other requirements other than, in the case of the Retention Holder and in such respect only for the benefit of the addressees of the Risk Retention Letter in accordance with the terms thereof, where such failure results from a breach of the Risk Retention Letter (as defined in the terms and conditions of the Bonds) by the Retention Holder. None of the Placement Agents has any responsibility to maintain or enforce compliance with the UK Securitisation Regulation. Each prospective investor in the Bonds which is subject to the UK Securitisation Regulation or any other regulatory requirement should consult with its own legal, accounting, regulatory and other advisors and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of which it is uncertain. See *“Risk Factors – Risks Related to the Bonds – Risks Related to EU and UK Securitisation Regulation and Due Diligence Requirements.”*

This Information Memorandum does not constitute an offer to sell or a solicitation of an offer to buy the Bonds to any person in any jurisdiction where it is unlawful to make such an offer or solicitation. The distribution of this Information Memorandum and the offering of the Bonds in certain jurisdictions may be restricted by law. No action has been taken by the Issuer, the Portfolio Manager, the Placement Agents, the Bonds Trustee or the Security Trustee which is intended to permit a public offering of any Bonds or distribution of this Information Memorandum in any jurisdiction where action is required to do so. Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Information Memorandum nor any advertisement, offering, publicity or other material may be distributed or published, in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Information Memorandum comes are required by the Issuer, the Portfolio Manager, the Placement Agents, the Bonds Trustee or the Security Trustee to inform themselves about and to observe any such restrictions. For a further description of certain restrictions on the offer and sale of the Bonds, see *“Transfer Restrictions and Investor Representations.”*

No representation or warranty, express or implied, is made or given by the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents or any of their respective affiliates, directors, officers, employees, agents or advisers as to the accuracy, completeness or sufficiency of the information contained in this Information Memorandum, and nothing contained in this Information Memorandum is, or shall be relied upon as a promise, representation or warranty by the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents or any of their respective affiliates, directors, officers, employees, agents or advisers. To the fullest extent permitted by law, the Portfolio Manager, the Bonds Trustee, the Security Trustee and the Placement Agents and their respective affiliates, directors, officers, employees, agents and advisers do not accept any responsibility for the contents of this Information Memorandum and assume no responsibility for the contents, accuracy, completeness or sufficiency of any such information or for any other statement made or purported to be made by the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents or on their behalf in connection with the Issuer or the issue and offering of the Bonds. Each of the Portfolio Manager, the Bonds Trustee, the Security Trustee and the Placement Agents and their respective affiliates, directors, officers, employees, agents and advisers accordingly disclaim all and any liability whether arising in tort or contract or otherwise which they might otherwise have in respect of this Information Memorandum or any statement herein. None of the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents or any of their respective affiliates, directors, officers, employees, agents or advisers undertakes to review the financial condition or affairs of the Issuer after the date of this Information Memorandum nor to advise any investor or potential investor in the Bonds of any information coming to the attention of the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents. The Portfolio Manager, the Bonds Trustee, the Security Trustee and the Placement Agents and their respective affiliates, directors, officers, employees, agents and advisers have not independently verified any of the information contained in this Information Memorandum and can give no assurance that this information is accurate, truthful or complete. This Information Memorandum is not intended to provide the basis of any credit or other evaluation nor should it be considered as a recommendation by any of the Issuer, the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents or any of their respective affiliates, directors, officers, employees, agents or advisers that any recipient of this Information Memorandum should purchase the Bonds. For the avoidance of doubt, none of the Issuer, the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents are providing any legal, financial, business or tax advice in this Information Memorandum. It is recommended that persons proposing to subscribe for or purchase any of the Bonds consult their own legal and



other advisers before subscribing for or purchasing the Bonds. Prospective purchasers of the Bonds are advised to consult their own tax advisers concerning the tax consequences of the acquisition, ownership or disposition of the Bonds. In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the offering, including the merits and risks involved. See “*Risk Factors*” for a discussion of certain factors to be considered in connection with an investment in the Bonds.

This Information Memorandum contains summaries of some of the terms of certain documents, but reference is made to the actual documents, copies of which will be made available upon request. In making an investment decision regarding the Bonds offered by this Information Memorandum, you must rely on your own examination of our company and the terms of the offering, including the merits and risks involved. The offering is being made on the basis of this Information Memorandum. Any decision to purchase Bonds in the offering must be based on the information contained in this Information Memorandum.

We reserve the right to withdraw the offering of the Bonds at any time, and we and the Placement Agents reserve the right to reject any commitment to subscribe for the Bonds, in whole or in part, and to allot to you less than the full amount of the Bonds subscribed for by you. We are making this offering subject to the terms described in this Information Memorandum and the Trust Deed.

The Bonds will be available in book-entry form only. We expect that the Bonds sold pursuant to this Information Memorandum will be issued in the form of one or more global certificates. Beneficial interests in the global certificates will be shown on, and transfers of the global certificates will be effected only through, records maintained by Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and their respective direct and indirect participants. After the initial issuance of global certificates, notes in certificated form will be issued in exchange for the global certificates only as set forth in the Trust Deed.

Solely for the convenience of the reader, and except as otherwise stated, this Information Memorandum contains convenience translations of certain currencies into U.S. dollars at specified constant currency rates. The Issuer makes no representation that the local currency amounts referred to in this Information Memorandum could have been or could be converted into any currency at the specified exchange rate, at any other rate, or at all.

None of the Issuer, the Portfolio Manager or the Placement Agents nor any of their respective affiliates, directors, officers, employees, agents or advisers accepts any responsibility for any social, environmental and sustainability assessment of any Bonds or makes any representation or warranty or assurance whether such Bonds will meet any investor expectations or requirements regarding such “sustainable,” “social” or similar labels. None of the Placement Agents is responsible for the use or allocation of proceeds for any Bonds nor the impact or monitoring of such use of proceeds nor do any of the Issuer, the Portfolio Manager or the Placement Agents nor any of their respective affiliates, directors, officers, employees, agents or advisers undertake to ensure that there are at any time sufficient Loans to allow for allocation of a sum equal to the net proceeds of the issue of the Bonds in full.

In addition, none of the Issuer, the Portfolio Manager or the Placement Agents nor any of their respective affiliates, directors, officers, employees, agents or advisers is responsible for the assessment of the applicable eligibility criteria in relation to the Bonds. Tameo Impact Fund Solutions SA (“**Tameo**”) has issued independent opinions, each attached under Appendix D (the “**Second Party Opinions**”). The Second Party Opinions provide an opinion on certain sustainability, social and related considerations and is not intended to address any credit, market or other aspects of an investment in any Bonds, including without limitation market price, marketability, investor preference or suitability of any security. The Second Party Opinions are statements of opinion, not statements of fact. To the fullest extent permitted by law, none of the Issuer, the Portfolio Manager or the Placement Agents nor any of their respective affiliates, directors, officers, employees, agents or advisers accept any responsibility for the contents of the Second Party Opinions, nor do they assume responsibility for the contents, accuracy, completeness or sufficiency of any such information in the Second Party Opinions. No representation or assurance is given by the Issuer, the Portfolio Manager or the Placement Agents nor any of their respective affiliates, directors, officers, employees, agents or advisers as to the suitability or reliability of the Second Party Opinions or any opinion or certification of any third party made available in connection with an issue of Bonds issued as Sustainable or Social Bonds. As at the date of this Information Memorandum, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. The Second Party Opinions and any other such opinions or certifications are not, nor should be deemed to be, a recommendation by the Issuer, the Portfolio Manager or the Placement Agents, or any other person to buy, sell or hold any Bonds and are current only as of the date they are issued. The criteria and/or considerations that formed the basis of the Second Party Opinions or any such other opinion or certification may change at any time and each Second Party Opinion may be amended, updated, supplemented, replaced and/or withdrawn. The Second Party Opinions are for information purposes only.

and none of the Issuer, the Portfolio Manager, the Placement Agents nor any of their respective affiliates, directors, officers, employees, agents or advisers accept any form of liability for the substance of the Second Party Opinions and/or any liability for loss arising from the use of the Second Party Opinions and/or the information provided in them. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and their purchase of the Bonds should be based upon such investigation as they deem necessary.

#### **Notice to and Regarding U.S. Investors**

Due to the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the securities offered hereby.

Various requirements apply to holders of the Bonds that are U.S. persons (each, a **“U.S. Person”**), as defined under Regulation S of the Securities Act and within the meaning of the Investment Company Act, and to persons purchasing or holding a beneficial interest in the Bonds that are U.S. Persons. Notably, each such U.S. Person must be both a qualified institutional buyer as defined in Rule 144A under the Securities Act and a qualified purchaser under the Investment Company Act (a person meeting both of these requirements is sometimes referred to as a **“QIB/QP”**).

THESE REQUIREMENTS ARE DETAILED UNDER THE HEADING “TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS – UNITED STATES” AND SHOULD BE REVIEWED CAREFULLY BY ALL PROSPECTIVE U.S. PERSON PURCHASERS AND BY ANY OTHER PURCHASER THAT MAY WISH TO TRANSFER THE BONDS OR ANY INTEREST THEREIN TO A U.S. PERSON.

In addition, no action has been, or will be taken by the Issuer or the Placement Agents that would permit a public offering of the Bonds, or the possession or distribution of this Information Memorandum or any amendment or supplement hereto, or any other offering material relating to the Bonds in any jurisdiction where action for any such purpose may be required.

#### **FORCED SALE OF SECURITIES AND REFUSAL TO TRANSFER**

Any transfer of Bonds in breach of the transfer restrictions described here or under the heading *“Transfer Restrictions and Investor Representations – United States”* will be of no force and effect, will be void ab initio, and will not operate to transfer any rights to the transferee, notwithstanding any instructions to the contrary to the Issuer.

Any purchaser of the Bonds agrees that in the event that the Issuer determines in good faith that a holder or beneficial owner of the Bonds is in breach, at the time given, of any of the representations or agreements referred to above, the Issuer will consider the acquisition of the Bonds or beneficial interests therein void, of no force and effect and will not, at the discretion of the Issuer, operate to transfer any rights to the transferee notwithstanding any instructions to the contrary to the Issuer. In addition, the Issuer may require such acquirer or beneficial owner to transfer such Bonds or beneficial interests therein to a transferee acceptable to the Issuer who is able to and who does make all of the representations and agreements under the heading *“Transfer Restrictions and Investor Representations – United States.”* Pending such transfer, the holder will be deemed not to be the holder of such Bonds for any purpose, and such holder will be deemed to have no interest whatsoever in such Bonds except as otherwise required to sell its interest therein as described in this paragraph. The Issuer has the right to refuse to honor a transfer to a U.S. Person who is not a QIB/QP.

#### **INVESTMENT COMPANY ACT**

In reliance on Section 3(c)(7), the Issuer has not registered under the Investment Company Act as an investment company. To rely on Section 3(c)(7), the Issuer must have a “reasonable belief” that all purchasers of Bonds who are U.S. Persons (including subsequent transferees) are Qualified Purchasers as defined in the Investment Company Act at the time of their purchase of Bonds. The Issuer will establish a reasonable belief for purposes of Section 3(c)(7) based upon the representations made and deemed made by certain purchasers of the Bonds as set forth above, the covenants and undertakings of the Issuer referred to below and certain representations and covenants of the Placement Agents. In addition, until 40 days after the commencement of the offering of Bonds pursuant to the Information Memorandum, an offer or sale of the Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with an exemption from the registration requirements of the Securities Act.

If at any time the Issuer determines that any owner of Bonds, or any account on behalf of which such owner purchased Bonds, is a U.S. Person that is required to be a QIB/QP and does not meet these requirements, the Issuer may require that such owner's Bonds be sold or transferred to a person designated by or acceptable to the Issuer.

## U.S. VOLCKER RULE

Section 13 of the U.S. Bank Holding Company Act of 1956, as amended, together with the rules, regulations and published guidance thereunder (the "**BHC Act**"), including the final rule adopted by the U.S. Board of Governors of the Federal Reserve System, the U.S. Office of the Comptroller of the Currency, the U.S. Federal Deposit Insurance Corporation, the SEC and the U.S. Commodity Futures Trading Commission, commonly known as the "Volcker Rule," generally prohibits certain investors that are "banking entities" from engaging in proprietary trading, or from acquiring, retaining an "ownership interest" (as defined therein) in, sponsoring or having certain relationships with "covered funds", unless pursuant to an exclusion or exemption under the Volcker Rule. The following would be considered a "banking entity" subject to the Volcker Rule: (i) any U.S. insured depository institution (within the meaning of such term in Section 13(h)(1) of the BHC Act); (ii) any company that controls a U.S. insured depository institution; (iii) any non-U.S. institution that is treated as a bank holding company for purposes of Section 8 of the International Banking Act of 1978 (i.e., a non-U.S. company that maintains a branch, agency or commercial lending office in the U.S.); and (iv) any affiliate or subsidiary of the foregoing under the BHC Act, regardless of geographic location, other than a "covered fund" that is not itself a banking entity under clauses (i), (ii) or (iii) above.

A "covered fund" is defined broadly in the Volcker Rule and includes, amongst other things, any issuer which would be an "investment company" (as defined under Section 3 of the Investment Company Act) but is exempt from registration therefrom solely in reliance on either Section 3(c)(1) or 3(c)(7) of the Investment Company Act. It is the intention of the Issuer to, in addition to any other applicable exemptions or exclusions, rely on the exclusion provided by Section 3(c)(7) of the Investment Company Act, and therefore the Issuer may be deemed to fall within the definition of a "covered fund" for the purposes of the Volcker Rule. If the Issuer is deemed to be a "covered fund" and the Bonds are determined to constitute "ownership interests" for purposes of the Volcker Rule, then a "banking entity" (as defined under the Volcker Rule) would generally be prohibited from acquiring or retaining the Bonds, unless such "banking entity" could rely on an exclusion from the definition of "covered fund" or an exemption from the Volcker Rule's covered fund-related prohibitions. For a description of the potential effects of the Volcker Rule on the Issuer and the Bonds, see "*Risk Factors—Risks Related to the Issuer and Other Transaction Parties—Risks Relating to the U.S. Volcker Rule.*"

## REMINDER NOTICES

Whenever the Issuer sends any periodic report to holders of the Bonds, it will also send a reminder notice (each, a "**Reminder Notice**") to the holders of the Bonds. Each Reminder Notice will state that (i) each holder of Bonds or a beneficial interest therein that is a U.S. Person for purposes of Regulation S under the Securities Act must be able to make the representations set forth under "*Transfer Restrictions and Investor Representations – United States*" (for this purpose, the "**3(c)(7) Representations**"), (ii) the Bonds are transferable only to purchasers (if they are U.S. Persons) who have made the 3(c)(7) Representations and satisfied the other transfer restrictions applicable to the Bonds, (iii) the Issuer will have the right to refuse to honor any transfer to a U.S. Person who is determined not to be a QIB/QP, and (iv) the Issuer shall have the right to treat any purchase by a U.S. Person who is determined not to be a QIB/QP as null and void and to require such purchaser to sell its Bonds (and all interests therein) to a transferee that is a QIB/QP. The Issuer will arrange for a copy of each periodic report (and each Reminder Notice) to be sent to holders of the Bonds or holders of a beneficial interest in Bonds in accordance with Condition 13 of the Terms and Conditions of the Bonds. The Issuer will arrange for a Reminder Notice to be sent at least once per year.

## CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

This Information Memorandum includes forward-looking statements regarding, *inter alia*, our and the Borrowers' objectives, plans, strategies and prospects, including those related to business, financial and impact information. Any statements made in this Information Memorandum that are not statements of historical fact, including statements concerning our expectations for future events, future financial performance or events or developments that management expects or anticipates will or may occur in the future, are forward-looking statements.

You should not place undue reliance on these forward-looking statements, which are based on currently available information and management's current expectations and beliefs about future events or future financial performance. We have attempted to identify forward-looking statements by words such as "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "should," "will" or other comparable terminology. However, such terminology is not the exclusive means of identifying forward-looking statements and its absence does not mean that the statement is not forward-looking. Although we believe the expectations and beliefs reflected in the forward-looking statements are reasonable, such statements speak only as of the date of this Information Memorandum, and we disclaim any intent or obligation to update any of the forward-looking statements after such date unless required by law.

Forward-looking statements are not guarantees of future performance or results, and involve inherent risks and uncertainties such as those described below that could cause actual results to materially differ from those predicted in such forward-looking statements:

- our ability to manage risks associated with our international investments, including government regulation;
- the future performance of the Borrowers;
- the ability of the Borrowers to repay the Loans;
- the status of any Loan to become and remain guaranteed under the Limited Guarantee;
- problems with, or loss of, our third-party service providers;
- the Portfolio Manager's ability to attract and retain skilled personnel and senior management, and to maintain the continued efforts of our management;
- the ability to achieve and maintain a listing of the Bonds on the Official List of the SGX-ST; and
- the other factors identified under the heading "*Risk Factors*" elsewhere in this Information Memorandum.

For more information on our risk factors that could cause our actual results to differ from the results predicted in these forward-looking statements, please see the section captioned "*Risk Factors*" in this Information Memorandum.

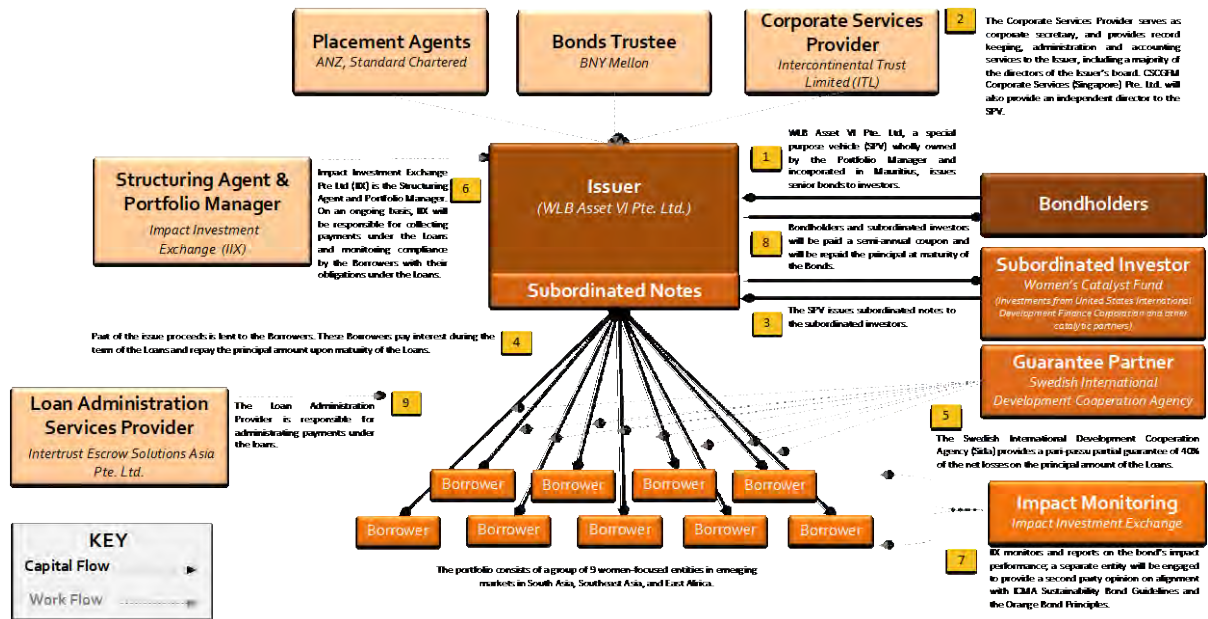
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## OVERVIEW OF BOND STRUCTURE AND OFFERING TERMS

### Overview of the Bond Structure



- (1) The Issuer, which is wholly owned by the Portfolio Manager, issues US\$88,000,000 in aggregate principal amount of Bonds.
- (2) The Subordinated Investor will provide US\$12,000,000 (as such principal amount may be increased pursuant to the terms thereof) of Subordinated Indebtedness, serving as first-loss capital for the Bonds. The Subordinated Investor will be paid a semi-annual coupon and will be repaid the principal at maturity of the Bonds, to the extent funds are available after making required payments to the Bondholders.
- (3) The proceeds of the Bonds will be used to make Loans to the Borrowers, to pay related fees and expenses, and to fund the Debt Service Reserve Account with an amount equal to six months of interest on the largest Loan to be extended to a Borrower.
- (4) Sida provides a partial guarantee of up to 40% of the net losses of principal incurred by the Issuer as a result of non-payment of principal of the Loans, subject in each case to certain qualification, concentration and other requirements, a maximum payment amount of 40% of the principal amount of each such Loan, and other conditions and limitations. See Appendix B hereto for a copy of the Limited Guarantee.
- (5) On an ongoing basis, the Portfolio Manager will be responsible for monitoring compliance by the Borrowers with their obligations under the Loans, as well as monitoring Borrower performance against pre-determined financial and social metrics. The Portfolio Manager will also conduct annual virtual field visits to all Borrowers to assess business operations and verify the impact data provided using, among other means, IIX Values™, IIX's proprietary digital impact assessment tool.
- (6) The Portfolio Manager will monitor the impact performance of the Borrowers and create periodic impact reports.
- (7) Bondholders will be paid a semi-annual coupon and will be repaid the principal at maturity of the Bonds, unless previously redeemed or purchased and cancelled as provided in the Conditions, in priority to payments to the Subordinated Investor.
- (8) The Corporate Services Provider will provide a majority of the members of the board of directors of the Issuer, as well as certain administrative services for the Issuer, including corporate secretary, accounting, tax, cash management and customer due diligence services, as well as certain compliance-related services. The Corporate Officer Provider will also appoint one independent nominee director.
- (9) The Loan Administrator will provide services such as setting up individual loans, monitoring disbursements, managing loan records, liaising with Borrowers about interest payments (and related matters), and ensuring that payments are received.
- (10) The Bonds Trustee will hold the Issuer's covenant to pay principal and interest on the Bonds on trust for the Bondholders and will act on behalf of the Bondholders in certain situations.
- (11) At maturity of the Bonds, the Portfolio Manager will receive 70% of any surplus funds as a deferred performance fee, and the Subordinated Investor will receive the remaining 30% of such surplus funds as deferred interest on the Subordinated Indebtedness.

The transactions described above, the sixth in a series of transactions coordinated by IIX in which special purpose vehicles established by IIX issue bonds the proceeds of which are used to make loans to women-focused enterprises located in Asia, Africa or elsewhere, are referred to herein as "WLB6." WLB6, together with the previous aforementioned transactions, are referred to herein as the "WLB Series."

## The Offering

The following is a brief summary of certain terms of this offering. For a more complete description of the Bonds, see “*Terms and Conditions of the Bonds.*” Capitalized terms used and not defined herein have the meanings assigned to them in “*Terms and Conditions of the Bonds.*”

ISSUER .....	WLB Asset VI Pte. Ltd.
BONDS OFFERED.....	US\$88,000,000 aggregate principal amount of 7.25% Women’s Livelihood Bonds due 2027.
ISSUE PRICE.....	100%.
INTEREST RATE.....	Each Bond shall bear interest on its principal amount from and including the Closing Date to, but excluding, its date of redemption at the rate of 7.25 per cent per annum, payable semi-annually in arrears on each date falling on the June 21 and December 21 of each year, commencing on June 21, 2024.
MATURITY DATE .....	The Bonds will mature on December 21, 2027 (the “ <b>Maturity Date</b> ”) unless previously redeemed or purchased and cancelled. On the Maturity Date and, without duplication, on the date falling three years after the Maturity Date (the “ <b>Long-Stop Date</b> ”), the Issuer shall pay to the Bondholders the principal amount of the Bonds.
MANDATORY SPECIAL REDEMPTION .....	<p>Certain circumstances, such as if a Loan is accelerated due to the occurrence of an event of default and is not eligible to be re-lent, shall constitute a Special Redemption Event.</p> <p>The Issuer shall, on each Special Redemption Date, apply amounts standing to the credit of the relevant sub-account of the Recovery Account in the order specified in Condition 8.2(c) of the Terms and Conditions of the Bonds. See “<i>Terms and Conditions of the Bonds – Mandatory Special Redemption Event and Post-Maturity Payment.</i>”</p>
USE OF PROCEEDS .....	Proceeds will be used to (i) extend loans to the Borrowers named herein, all of which are high impact enterprises benefitting women in Cambodia, India, Indonesia, Kenya, and Vietnam (the “ <b>Loans</b> ”), (ii) make payments due to Permitted Hedging Counterparties (other than a Defaulting Hedging Counterparty) under Permitted Hedging Agreements, (iii) fund costs, fees and expenses payable by the Issuer under the Limited Guarantee and Hedging Agreements and to service providers (e.g., fees payable to the Bonds Trustee, the Corporate Services Provider, the Corporate Officer Provider, the Loan Administrator, the Portfolio Manager, and other third parties) and (iv) fund the Debt Service Reserve Account.
LOANS.....	The Loans are non-convertible debt instruments and are full recourse to the Borrowers. They will have an initial term of just under four years and will contain customary provisions, including representations and warranties, reporting obligations, and indemnification protections. In addition, the Loans will contain affirmative and negative covenants that will, among other things, limit each Borrower’s ability to enter into certain business transactions, such as consolidations, mergers and sales of assets, and require each Borrower to maintain certain financial standards during the term of the Loan.
PORTFOLIO MANAGER .....	The Portfolio Manager will be responsible for, among other portfolio management activities, (i) selecting and evaluating potential

Borrowers, including conducting due diligence and credit review processes, (ii) negotiating terms and conditions of the Loans on behalf of the Issuer, (iii) monitoring Borrowers' compliance with their obligations under the Loans, including taking appropriate actions or initiating enforcement actions on behalf of the Issuer as necessary, (iv) preparing reports on behalf of the Issuer for Bondholders and for any exchange on which the Bonds may be listed, and (vi) managing all reporting, monitoring and compliance obligations of the Issuer under the terms of the Limited Guarantee.

The Portfolio Manager shall receive (i) a one-time structuring fee of 1.50% of the aggregate amount of capital raised through the sale of the Bonds and the Subordinated Indebtedness, (ii) annual fees of 0.75% of the aggregate amount of capital raised through the sale of the Bonds and the Subordinated Indebtedness (comprising (a) an administrative fee of 0.25% of such amount, (b) a financial monitoring fee of 0.25% of such amount, and (c) an impact monitoring fee of 0.25% of such amount) and (iii) reimbursement for reasonable out-of-pocket expenses. In addition, the Portfolio Manager shall receive as a deferred performance fee 70% of any available surplus funds on the Maturity Date.

#### DEBT SERVICE RESERVE

ACCOUNT.....The Issuer shall open and maintain a US dollar-denominated account with the Account Bank (the “**Debt Service Reserve Account**”). On the date that is 120 days after the Closing Date, the Issuer shall deposit into the Debt Service Reserve Account an amount equal to US\$750,000.

SECURITY.....The Bonds will be secured by a pledge and first ranking floating charge over the Funding Account, the Debt Service Reserve Account, the Collection Account, the Guarantee Fee Reserve Account and the Recovery Account (together the “**Accounts**”) pursuant to the deed of pledge and charge dated December 21, 2023 (the “**Deed of Pledge and Charge**”) between (i) the Issuer, as chargor, and (ii) The Bank of New York Mellon, London Branch as security trustee (the “**Security Trustee**”).

HEDGING ARRANGEMENTS .....The Issuer will enter into foreign exchange hedging arrangements to protect against foreign exchange exposure relating to one or more Loans denominated in (or otherwise based on) the local currency of the jurisdiction of the applicable Borrower (the “**non-USD Loans**”). See “*Foreign Exchange Hedging Arrangements*.”

RANKING.....The Bonds are direct, unconditional, unsubordinated and secured obligations of the Issuer and rank and will rank *pari passu*, without any preference or priority among themselves (subject to any mandatory priority rights applying to companies generally pursuant to applicable law). The payment obligations of the Issuer under the Bonds will at all times rank at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

LIMITED GUARANTEE .....The Bonds are not guaranteed. The Issuer shall benefit from the Limited Guarantee, which is a partial guarantee provided by Sida of 40% of the net losses of principal incurred by the Issuer as a result of non-payment of principal on the Guaranteed Loans, subject to certain qualification, concentration and other requirements, a maximum payment amount of 40% of the principal amount of each such Loan, and other conditions and limitations. The remaining losses will be borne by the Issuer, which may in turn result in losses



for the account of the holders of the Bonds. Holders of Bonds have no direct recourse to the Limited Guarantee. The Issuer intends for all of the Loans it makes to be guaranteed under the Limited Guarantee. See “*Description of Certain Material Agreements — The Limited Guarantee.*”

FIRST LOSS PROTECTION .....The IIX Women’s Catalyst Fund, L.P. (the “**Subordinated Investor**”) will lend to the Issuer an aggregate principal amount of US\$12,000,000 (as such principal amount may be increased pursuant to the terms thereof), the principal of which cannot be repaid until such time as all obligations of the Bonds with respect to payments of principal and interest, when due, have been satisfied, or in connection with a Special Redemption Event relating to an Unfunded Amount (the “**Subordinated Indebtedness**”). See “*Description of Certain Material Agreements — The Subordinated Indebtedness.*”

CERTAIN COVENANTS.....Covenants by the Issuer include a negative pledge, as well as covenants relating to restrictions on activities, mergers and consolidation, incorporating subsidiaries, owning real property, employing people, disposal of assets, creation of indebtedness, amendments or prepayment of subordinated debt and extension of new loans.

RETENTION UNDERTAKING.....The Retention Holder will subscribe to the Subordinated Indebtedness and, pursuant to the Risk Retention Letter, the Retention Holder will undertake, as an “originator” for the purposes of the EU Securitisation Regulation and the UK Securitisation Regulation, to retain the Subordinated Indebtedness in an amount not less than 5% of the outstanding principal balance of the Loans in order to comply with the Risk Retention Requirements. Pursuant to the Risk Retention Letter, the Retention Holder will give certain other covenants and representations, all in the manner, and on the terms, summarised in this Information Memorandum.

See “*Regulatory Disclosure*” and “*Risk Factors – Risks Related to the Bonds – Risks Related to EU and UK Securitisation Regulation and Due Diligence Requirements.*”

TRANSPARENCY REQUIREMENTS.....The Issuer (with the assistance of the Portfolio Manager) has agreed to be the designated entity under the EU Securitisation Regulation and the UK Securitisation Regulation to provide certain reports and information as more fully described in “*Regulatory Disclosure.*” However, each prospective investor in the Bonds to which the EU Securitisation Regulation or the UK Securitisation Regulation applies is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction is sufficient to comply with the EU Securitisation Regulation or the UK Securitisation Regulation, as the case may be, or any other applicable legal, regulatory or other requirements and none of the Issuer, the Retention Holder, Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents, their respective Affiliates, corporate officers or professional advisers or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose, and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy or otherwise comply with the EU Securitisation Regulation or the UK Securitisation Regulation, the implementing provisions in respect of

the EU Securitisation Regulation in their relevant jurisdiction or any other applicable legal, regulatory or other requirements. None of the Placement Agents has any responsibility to maintain or enforce compliance with the EU Securitisation Regulation or the UK Securitisation Regulation.

See “*Regulatory Disclosure*” and “*Risk Factors – Risks Related to the Bonds – Risks Related to EU and UK Securitisation Regulation and Due Diligence Requirements.*”

#### OFFERING AND

TRANSFER RESTRICTIONS.....The Bonds are being offered only to non-U.S. persons (within the meaning of Regulation S under the Securities Act) in offshore transactions in reliance on Regulation S or to U.S. persons who are both qualified institutional buyers as defined under Rule 144A of the Securities Act and qualified purchasers in reliance of Section 3(c)(7) of the Investment Company Act. The Bonds have not been, and will not be, registered under the Securities Act, or any U.S. state securities laws, and the Issuer has not registered, and does not intend to register, as an investment company under the Investment Company Act.

The Bonds may not be offered or sold, directly or indirectly, to the public in Mauritius.

The Bonds are being offered in Singapore only (i) to an institutional investor (as defined in the SFA) pursuant to Section 274 of the SFA or (ii) to an “accredited investor” (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions as specified in Section 275 of the SFA. Please refer to the section titled “*Transfer Restrictions and Investor Representations*” for restrictions on the sale and transfer of the Bonds.

EVENTS OF DEFAULT.....For a description of certain events that will permit the Bonds to become immediately due and payable at their principal amount plus accrued interest, see “*Terms and Conditions of the Bonds — Events of Default.*”

REPORTING OBLIGATIONS .....Usual and customary for transactions of this nature, including an initial loan schedule, semi-annual loan performance reports, annual audited accounts, semi-annual unaudited accounts, semi-annual certificates of compliance, a confirmation of the Subordinated Investor’s retained economic interest as required by Article 6 of the EU Securitisation Regulation and Article 6 of the UK Securitisation Regulation and information provided with a view to satisfying certain of the requirements of Article 7(1) of each Securitisation Regulation, to be provided by the Issuer to the Bonds Trustee. Additionally, each Borrower shall provide quarterly data to the Portfolio Manager to allow it to perform an annual impact assessment on the Borrower (as required under the terms of the Loans). The Issuer shall provide the Bonds Trustee with copies of the Portfolio Manager’s semi-annual impact reports and annual impact reports in relation to the Borrowers, in addition to the schedules, reports, accounts and certificates described above.

DENOMINATION .....The Bonds will be issued only in denominations of US\$250,000 and integral multiples of US\$1,000 in excess thereof.

LISTING.....We intend to apply for the listing of, and quotation for, the Bonds on the SGX-ST. However, we cannot assure you that such listing will be obtained or, if obtained, the Bonds will remain so listed. If a

listing is obtained, the Bonds would be traded on the SGX-ST in a minimum board lot size of at least 200,000 Singapore Dollars (or its equivalent in U.S. dollars) for so long as such Bonds are listed on the SGX-ST and the rules of the SGX-ST so require. Whether or not a listing is obtained, the Bonds will be issued only in denominations of US\$250,000 and integral multiples of US\$1,000 in excess thereof.

So long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that the Global Certificate is exchanged for definitive certificates, the Issuer shall appoint and maintain a paying agent in Singapore, where the Bonds may be presented or surrendered for payment or redemption. In addition, in the event that the Global Certificate is exchanged for definitive certificates, an announcement of such exchange shall be made through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive certificates, including details of the paying agent in Singapore.

CLOSING DATE .....	The date on which the Bonds are issued, which is expected to be December 21, 2023.
PLACEMENT AGENTS .....	ANZ and Standard Chartered Bank
BONDS TRUSTEE .....	The Bank of New York Mellon, London Branch
SECURITY TRUSTEE .....	The Bank of New York Mellon, London Branch
REGISTRAR AND TRANSFER AGENT .....	The Bank of New York Mellon SA/NV, Dublin Branch
PRINCIPAL PAYING AGENT .....	The Bank of New York Mellon, London Branch
ACCOUNT BANK .....	Standard Chartered Bank (Mauritius) Limited
AUDITOR .....	Crowe ATA
CORPORATE SERVICES PROVIDER .....	Intercontinental Trust Ltd
CORPORATE OFFICER PROVIDER .....	CSCGFM Corporate Services (Singapore) Pte. Ltd.
LOAN ADMINISTRATOR .....	Intertrust Escrow Solutions Asia Pte. Ltd.
GOVERNING LAW OF THE BONDS AND THE TRUST DEED.....	English law
GOVERNING LAW OF THE SECURITY.....	Mauritius law
LEGAL ENTITY IDENTIFIER.....	254900M29A8RHZTF4J92
ISIN .....	XS2723388174 (Rule 144A) XS2723388257 (Regulation S)
COMMON CODE.....	272338817 (Rule 144A) 272338825 (Regulation S)

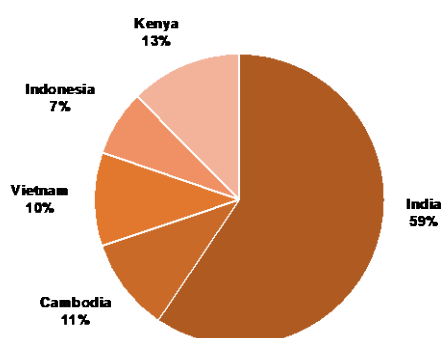
## OVERVIEW OF THE BORROWERS

Unless otherwise indicated, information contained in this Information Memorandum concerning the Borrowers or their industries is based on information provided by the Borrowers, as well as various other sources, including independent industry publications, reports, surveys and forecasts. We have not independently verified the accuracy or completeness of the information provided by the Borrowers or contained in these industry publications, reports, surveys and forecasts. Unless we state otherwise, our presentation of the Borrowers' financial condition and results of operations is based on audited financial statements provided by the Borrowers. Information is provided for the fiscal years ended December 31, 2020, 2021 and 2022 or, in the case of Borrowers in India, the fiscal years ended March 31, 2021, 2022, and 2023. References to "FY" immediately followed by a year refer to the fiscal year ended December 31 of such year; references to "FY Mar" immediately followed by a year refer to the fiscal year ended March 31 of such year. References to "US\$" or "USD" refer to U.S. dollars. References to "IDR," "INR," "KES," "KHR," and "VND" refer to Indonesian rupiah, Indian rupees, Kenyan shillings, Cambodian riel and Vietnamese dong, respectively. The Borrowers and any publications, reports, surveys and forecasts on which information is based generally indicate that they have obtained their information from sources believed to be reliable, but do not guarantee the accuracy and completeness of their information. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. The industries in which we and the Borrowers operate are subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Risk Factors" and elsewhere in this Information Memorandum. These and other factors could cause results to differ materially from those expressed by the Borrowers or contained in these publications, reports, surveys and forecasts.

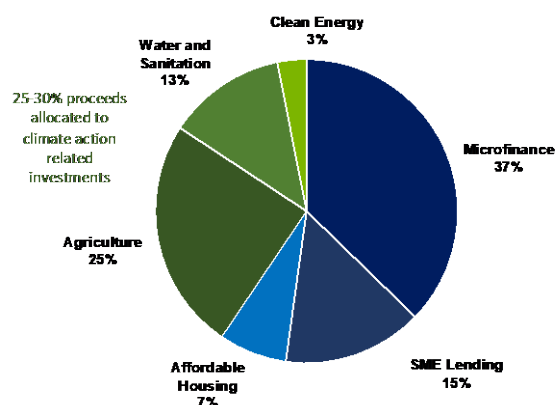
The Portfolio Manager, the Bonds Trustee, the Security Trustee and the Placement Agents and their respective affiliates, directors, officers, employees, agents and advisers have not independently verified any of the financial information set forth below and can give no assurance that this information is accurate, truthful or complete.

The Issuer intends to make Loans to nine Borrowers from five countries. The Borrowers operate in six sectors: microfinance institutions ("MFI"), SME lending, clean energy, sustainable agriculture lending, water and sanitation lending, and affordable housing lending. In aggregate, the Loans are expected to impact approximately 880,000 – 923,000 women and girls to promote sustainable livelihoods. A portion of the proceeds of the Loans, estimated at 25% to 30%, are expected to empower women to advance climate action and achieve other environmental benefits through investments in sectors such as clean energy, sustainable agriculture, and water and sanitation. The maximum exposure to any single Borrower is expected to be not more than 15% of the portfolio and to any single country is expected to be less than 60% of the portfolio. Key features of the Borrowers and of the portfolio are presented below.

Indicative Distribution of Loans by Country



Indicative Distribution of Loans by Sector



We may find it necessary to reallocate the loan amounts from what has been described below, including reallocation of the loan amounts among the Borrowers set forth below or reallocation of the loan amounts to Borrowers other than those set forth below. See "Use of Proceeds."

## SUMMARY INFORMATION OF THE BORROWERS

Features	First Finance	Ananya	Dvara	Kinara Capital	Samunnati	Satya	Esta Dana	Lenana	EVN Finance
	<u>Financial Institutions</u>								
Expected Loan Amount (US\$)	10,000,000	8,000,000	14,400,000	14,400,000	9,000,000	11,400,000	7,000,000	12,000,000	10,000,000
Proportion of Total %	10.40%	8.32%	14.97%	14.97%	9.36%	11.85%	7.28%	12.47%	10.40%
<b>Issuer Exposure</b>									
Security	Unsecured	Client receivables	Client receivables	Client receivables	Client receivables	Client receivables	Unsecured	a) Client receivables b) Pledge over promoter shares c) Promoter Guarantee d) Pledge over Debt service reserve account e) Promoter loans to be subordinated	Unsecured
Country of Operations	Cambodia	India	India	India	India	India	Indonesia	Kenya	Vietnam
<b>Operational Maturity</b>									
Legal Incorporation Status	Public limited company	Private Limited Company (Registered as NBFC-NDSI)	Private Limited Company (Registered as NBFC-NDSI)	Private Limited Company (Registered as NBFC-NDSI)	Private Limited Company (Registered as NBFC-NDSI)	Private Limited Company (Registered as NBFC-NDSI)	Private Limited Company	Private Limited Company	Joint Stock Company
Years in Operation	15	14	15	27	9	6	9	9	15
Number of Borrowers (active)	2,179	99,619	503,835	32,987	867 <sup>(7)</sup>	975,808	243,873	28,544	237,132
<b>Financial Stability</b> <sup>(1)(2)</sup>									
Results as of	FY 2022	FY Mar 2023	FY Mar 2023	FY Mar 2023	FY Mar 2023	FY Mar 2023	FY 2022	FY 2022	FY 2022
Total Assets (US\$ millions)	\$47.68	\$61.83	\$227.92	\$304.89	\$186.53	\$567.16	\$64.59	\$31.42	\$1,787.92
Net Loan Portfolio (US\$ millions)	\$35.26	\$42.48	\$194.33	\$196.70	\$127.18	\$465.39	\$51.32	\$25.42	\$1,015.04
Net Profit (US\$ millions)	\$0.33	\$0.29	\$1.57	\$5.14	-\$12.27	\$6.63	\$1.58	\$3.65	\$15.49
Debt/Equity (x) <sup>(3)</sup>	1.71x	3.91x	4.86x	2.44x	1.70x	4.38x	5.88x	0.47x	9.44x
PAR30 <sup>(4)(5)</sup>	2.98%	2.41%	4.18%	3.29% (PAR 90)	12.00%	1.67%	3.78%	2.06%	2.22% (PAR 90)
<b>Impact</b>									
Expected Social Return on Investment <sup>(6)</sup>	~\$3.25 - 3.75	~\$5.50-5.70	~\$3.65-3.85	~\$3.90 - 4.10	~\$4.05 - 4.15	~\$4.50 - 5.00	~\$04.25 - 4.50	~\$4.75 - 4.95	~\$3.20 - 3.40
United Nations Sustainable Development Goals (SDG) Alignment	SDG 5, 6, 8, 10, 11, 13	SDG 1, 2, 5, 8, 10	SDG 1, 5, 6, 8, 10, 13	SDG 5, 8, 10	SDG 1, 2, 5, 13	SDG 1, 5, 6, 8, 10, 13	SDG 1, 5, 8, 10	SDG 1, 2, 5, 13	SDG 1, 5, 7, 8, 10, 13
Total (Direct and Indirect) Female Beneficiaries Impacted by the WLB Loan	~1,300-1,600	~130,000-135,000	~85,000 - 90,000	~3,000 - 3,500	~84,000 - 88,000	~140,000 - 145,000	~240,000 - 260,000	~50,000 - 51,000	~147,000 - 149,000

(1) The financial statements of all Borrowers, except First Finance, are prepared in their local currencies. For each such Borrower, we present USD convenience translations of its financial information using the exchange rate specified under the heading "Selected Financial Information" in the discussion of such Borrower in "The Borrowers." First Finance's financial statements are presented in USD, which is its primary operating and reporting currency.

(2) The financial information of Ananya and Samunnati set forth in this table are provided on a standalone basis. For a discussion of the relevance of such information, please see the discussion of each such Borrower set forth in "The Borrowers."

(3) Debt/Equity refers to the ratio of indebtedness to total equity.

(4) PAR30 refers to the percentage (by value) of the Borrower's gross loan portfolio of client receivables which is overdue for more than 30 days as of the date of measurement.

(5) Kinara Capital and EVN Finance do not report PAR30. The data in this row for these two Borrowers instead represent their PAR90, i.e., the percentage (by value) of such Borrowers' gross loan portfolio of client receivables that is overdue for more than 90 days as of the date of measurement. I

(6) Social Return on Investment ("SROI") is a measure of how much social and environmental impact, in dollar figures, is created for every dollar invested into the organization and/or program. The SROI of each Borrower is calculated by dividing the social and environmental value of impact expected to be created as a result of the Loan through primary outcomes by the principal amount of the Loan to that Borrower.

(7) Represents number of active Farmer Producer Organization clients of the Borrower.

## **RISK FACTORS**

*Investing in the Bonds involves risk. In addition to the other information included in this Information Memorandum, including the matters addressed herein under the heading “Cautionary Statement Regarding Forward-Looking Statements,” you should review the following risks carefully before making a decision to invest in the Bonds. An investment in the Bonds is highly speculative and involves a substantial risk of loss, including a total loss of the investment. We cannot give you any assurance that you will be able to sell the Bonds at any time in the future or that, if you do so, you will receive a return on your investment. You should only participate in this offering if you can afford to lose your entire investment in the Bonds. We may experience risks, hazards and uncertainties not currently known to us; or, as a result of developments occurring in the future, conditions that we deem to be immaterial may also materially and adversely affect us. The order in which the risks appear is not intended as an indication of their relative weight or importance. Capitalized terms used and not defined herein have the meanings assigned to them in the section headed “Terms and Conditions of the Bonds.”*

### **I. Risks Related to the Issuer and Other Transaction Parties**

#### **RISKS RELATING TO THE ORGANIZATIONAL STRUCTURE OF THE ISSUER**

The Issuer is a special purpose vehicle established as a private company limited by shares incorporated under the laws of Mauritius. Generally, under the laws of Mauritius, claims against the Issuer by its investors will be limited to the net assets of the Issuer. Accordingly, all payments to be made by the Issuer in respect of the Bonds will be made only from, and to the extent there are, available assets. The Issuer is incorporated for the sole purpose of issuing the Bonds and the Subordinated Indebtedness, the investment of the net proceeds of the issuance of the Bonds and the Subordinated Indebtedness in the Loans, and certain related transactions described in this Information Memorandum, and does not own any real property or any other material asset save for the Loans. The management of the Issuer’s business will be under the control of its board of directors (the “**Board**”). The Issuer will not have any employees and, as such, the Issuer has appointed the Portfolio Manager, the Corporate Services Provider and the Loan Administrator to, inter alia, manage and administer the Loans under the Portfolio Management Agreement, the Letter of Engagement and the Corporate Officer and Loan Administration Agreement, respectively.

#### **LIMITED RECOURSE OF BONDHOLDERS**

Recourse of Bondholders against the Issuer is limited to the net assets of the Issuer, which is a special purpose vehicle with limited assets. The Issuer has no liability to make any payments under the Bonds where funds to make payments are not available to it from such assets. If there are insufficient amounts available to the Issuer to pay the claims of the Bondholders after the Charged Assets are realized and applied in accordance with the priorities of payments set out in the Conditions, the Bondholders have no further claim against the Issuer. Further, the Bonds are not secured by a security interest in the Loans and there is no third party which guarantees the performance of the Issuer’s obligations under the Bonds. Consequently, the Bondholders have no rights as secured creditors in respect of the Loans and no recourse against any third party for amounts owed under the Bonds. Bondholders therefore bear the risk that the Issuer may not have sufficient funds available to it to make payments owed under the Bonds (and to competing creditors, if any, whose claims may rank in priority) and will not have any further recourse against the Issuer or any other party in such circumstances, but will suffer a corresponding (partial or total) loss on their investment.

#### **RISKS RESULTING FROM THE NON-PETITION RESTRICTIONS**

Bondholders should be aware of non-petition restrictions in the transaction documents precluding any of them from instituting against the Issuer, or joining any other person in instituting against the Issuer, any reorganization, liquidation, bankruptcy, insolvency or similar proceedings. If, in respect of the Bonds, the net proceeds of the enforcement or liquidation of the Charged Assets and other assets are not sufficient to make all payments due in respect of the Bonds, no other assets of the Issuer will be available to meet such shortfall, and the claims of the Bondholders against the Issuer in respect of any such shortfall shall be extinguished. The Accounts will not be replenished after a withdrawal. Where amounts are due to be paid in priority to the Bonds in accordance with the Conditions, the net proceeds of the enforcement or liquidation of the Charged Assets and other assets may not be sufficient to pay such amounts or may only be sufficient to make all such payments due in priority to such Bonds, in which case no amounts will be available to make payments in respect of such Bonds. In all cases, neither the Bondholder nor any persons on its behalf shall have the right to petition for the winding-up of the Issuer as a

consequence of any shortfall. Consequently, the Bondholders may be exposed to the risk of suffering a partial or total loss on their investment in the Bonds.

## **RISKS RELATED TO INSOLVENCY PROCEEDINGS**

There can be no assurance that the Issuer will not become bankrupt or insolvent or the subject of administration, receivership, schemes of arrangement, winding-up or liquidation orders or other insolvency-related proceedings or procedures. If the Issuer is unable to pay its debts as they fall due, a creditor may be entitled to make an application for the commencement of insolvency proceedings against the Issuer. The Issuer is a private company limited by shares incorporated under the laws of Mauritius and managed by its board of directors. Accordingly, insolvency proceedings with respect to the Issuer would likely proceed under, and be governed by, the insolvency laws of Mauritius. The application of such laws and/or the commencement of any such proceedings may have a material adverse effect on the Bondholders. Without being exhaustive, below are some matters that could have a material adverse effect on the Bondholders.

The commencement of insolvency proceedings against the Issuer may entitle creditors to terminate contracts with the Issuer and claim damages for any loss arising from such early termination. The commencement of such proceedings may result in the Issuer's assets being realized and applied to pay the fees and costs of the liquidator, debts preferred by law and debts payable in insolvency. There can be no assurance that the Issuer will be able to pay amounts owed to the Bondholders on time, in full or at all.

Additionally, under the Insolvency Act 2009 of Mauritius (the “**Mauritius Insolvency Act**”), certain transactions entered into by the Issuer may be set aside by the Mauritius courts. These include voidable preference transactions that are made at a time when the Issuer is unable to pay its due debts and enables another person to receive more towards satisfaction of a debt by the Issuer than that person would receive, or would be likely to receive, in the bankruptcy or liquidation. Such transactions may be voidable under laws of Mauritius if they have been entered into within the period of six months (or in some circumstances, within 2 years) prior to the date on which a winding-up petition is presented. If the security provided by the Issuer is voided for any reason, holders of the Bonds would have only an unsecured claim against the Issuer.

Should insolvency proceedings be commenced against the Issuer, Bondholders will bear the risk of a delay in the settlement of any claims they might have against the Issuer or receiving, in respect of their claims, the residual amount following realization of the Issuer's assets after preferred creditors have been paid, with the result that they may lose a part or the whole of their investment in the Bonds.

### ***Certain claims may rank ahead of a floating charge***

The Issuer has granted a pledge and first ranking floating charge over the Accounts in favour of the Security Trustee. As a matter of law, certain claims would have priority over the claims of the Security Trustee in respect of the floating charge assets. For example, the remuneration, debts, liabilities and expenses of or incurred by any receiver, judicial manager or liquidator and the claims of certain preferential creditors would rank ahead of the claims of the Security Trustee. Also, creditors who would have priority in the case of winding-up over the claims of a floating chargee would continue to have such priority preserved if a receiver (which would include a receiver and manager) were appointed over the assets that are subject to the floating charge.

A floating charge may, among other events, and subject to the terms of the floating charge agreement and the provisions of the Mauritius Civil Code, be crystallised by the appointment of a receiver over the charged assets by a simple notice in writing immediately upon the occurrence of an event of default. However, appropriation of the assets that are subject to the floating charge will depend on how fast the steps for conversion of the floating charge into a fixed charge can be taken. In particular, it will depend on how fast an inventory of the specific assets over which the charge has been created will be realised.

### ***Delays may arise from moratoriums***

Where the Issuer is insolvent or near insolvent and undergoes certain insolvency procedures, there may be delays in the Security Trustee's ability to enforce the security provided by the Issuer. For one, there would be a moratorium against the enforcement of security once a judicial management application is made, and this moratorium may be extended if a judicial management order is made. During the moratorium period, leave of the court or the consent of the receiver or liquidator will be required before steps may be taken to enforce any security over the Issuer's property. This may result in delays in the Security Trustee's ability to enforce the security

provided by the Issuer. There would also be a moratorium against the enforcement of security where the Issuer proposes or intends to propose a scheme of arrangement, upon an application for a stay by the Issuer, during which time leave of the court will be required before steps may be taken to enforce any security over the Issuer's property.

In addition, a moratorium against actions and proceedings may apply in the case of administration, receivership, schemes of arrangement and/or winding-up in relation to the Issuer. Actions and proceedings may be commenced or continued only with leave of the court and in the case of administration or receivership, with leave of the court or the consent of the receiver or administrator. It may also be possible that if a company related to the Issuer obtains an order for a moratorium in the context of a scheme of arrangement, the Issuer may also seek a moratorium order in its favour even if it is not itself proposing a scheme of arrangement. Further, an application by the Issuer for a moratorium order may not in itself constitute an event of default under the terms and conditions of the Bonds and the Security Trustee may not be able to declare the Bonds immediately due and payable upon the occurrence of such an event. Accordingly, if there is any need for the Security Trustee to sue the Issuer in connection with the enforcement of the security, the need to obtain leave of the court may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

#### ***Receiver or liquidator may dispose of security***

If a receiver or liquidator is appointed, the receiver or liquidator would be able to dispose of the Charged Assets and this could adversely affect the Issuer's ability to meet its payment obligations to the Bondholders. The costs and expenses incurred by the receiver or liquidator rank in priority ahead of the claims of the floating chargee.

#### ***The court may cram down on an entire class of creditors***

In respect of a company-initiated creditor deed of company arrangement, the Mauritius Insolvency Act provides for cram-down provisions where there is a dissenting class of creditors. In compliance with section 237A (2), (3) of the Mauritius Insolvency Act, the court may, notwithstanding one or more classes of dissenting creditors, approve the deed of company arrangement and order that the deed of company arrangement be binding on the company and all classes of creditors intended to be bound by the deed of company arrangement. The Court will make such an order provided that an overall majority in number representing 75% in value of the creditors who are intended to be bound by the deed of company arrangement have agreed to it and provided that no provision of the deed of company arrangement is oppressive or unfairly prejudicial to, or unfairly discriminatory against, one or more of the creditors and no provision of the deed of company arrangement is contrary to the interests of the company as a whole. However, there is a safeguard in that no creditor in a dissenting class should receive an amount lower than what that creditor is estimated by the court to receive if the deed of company arrangement scheme was not passed and in this regard there are provisions to help ensure that security holders receive the value of their secured claims.

#### ***Future changes in law***

Mauritian insolvency and related laws may be subject to change or adverse interpretations in the future. There can be no assurance that, as a result of any such change or adverse interpretations, the Issuer's ability to make payments under the Bonds, or the interests of the Bondholders in general, might not in the future be adversely affected.

### **RISKS RELATING TO THE NON-REGULATION OF THE ISSUER BY A REGULATORY AUTHORITY**

The Issuer is not required to be licensed or authorized under any current securities, commodities or banking laws of Mauritius as the country of its incorporation or similar laws of other jurisdictions. Regulatory authorities in Mauritius or in one or more other jurisdictions may subsequently take a contrary view regarding the applicability of any such laws to the Issuer. In such case, the Issuer may be subject to licensing or authorization requirements, fines or other measures imposed on the conduct of activities subject to license or authorization requirements in the relevant jurisdictions. Depending on the actual authorization requirement, the amount of fines or the impact and gravity of any other measure for the Issuer, the Issuer may not be able to comply with some or all of such requirements, fines or measures. In any such case, the Issuer may be subject to adverse impacts on its business, including also the requirement to cease its business activities or parts thereof, or on the fulfillment of its obligations under the Bonds. Bondholders are thus exposed to the risk of suffering a partial or total loss on their investment in the Bonds.



## **RISKS RELATING TO THE U.S. VOLCKER RULE**

The Issuer may be deemed a “covered fund” under the Volcker Rule, which could result in reduced interest in the Bonds from banking entities, and could potentially reduce the liquidity of the Bonds on the secondary market.

As the Issuer intends to rely on the exclusion provided by Section 3(c)(7) of the Investment Company Act, the Issuer may be deemed to fall within the definition of a “covered fund” for the purposes of the Volcker Rule. If the Issuer is deemed to be a “covered fund” and the Bonds are determined to constitute “ownership interests” for purposes of the Volcker Rule, then a “banking entity” (as defined in the Volcker Rule) would generally be prohibited from acquiring or retaining the Bonds, unless such “banking entity” could rely on an exclusion from the definition of “covered fund” or an exemption from the Volcker Rule’s covered fund-related prohibitions. These limitations could result in some “banking entities” being restricted in their ability to purchase or retain the Bonds or prohibited from purchasing the Bonds in the absence of an applicable Volcker Rule exclusion or exemption, which, in turn, could reduce the liquidity of the Bonds on the secondary market and negatively affect the market value of the Bonds.

Investors that are “banking entities” should carefully review the Volcker Rule and conduct their own analysis, in consultation with their legal advisers, to determine whether the Issuer is a “covered fund” and whether the Bonds constitute “ownership interests” for the purposes of the Volcker Rule. Each investor is responsible for analyzing its own regulatory position as to the potential impact of the Volcker Rule, and none of the Issuer, the Portfolio Manager or the Placement Agents makes any representation to any prospective investor or purchaser of the Bonds regarding the treatment of the Issuer or the Bonds under the Volcker Rule, or to such investor’s investment in the Bonds at any time in the future.

## **RISKS RELATING TO CONFLICTS OF INTEREST**

The interests of the Issuer, the Portfolio Manager and the Bondholders may conflict. The Portfolio Manager, its affiliates and their respective management teams may provide fund management, financing, advisory or other services to businesses (including other high-impact enterprises) that compete with the Borrowers and their affiliates, or may provide services to the Borrowers and their affiliates not in connection with this offering. Certain of the Borrowers have received loans funded with the proceeds of prior issuances of bonds under the WLB Series, namely the US\$8 million 5.65% Women’s Livelihood Bonds due 2021 issued by WLB Asset Pte. Ltd. in July 2017 (the “**WLB1**”), the US\$10.5 million 4.00% Women’s Livelihood Bonds due 2024 issued by WLB Asset II Pte. Ltd. in January 2020 (the “**WLB2**”), the US\$24.7 million 3.95% Women’s Livelihood Bonds due 2024 issued by WLB Asset II B Pte. Ltd. in December 2020 (the “**WLB3**”), the US\$27 million 3.90% Women’s Livelihood Bonds due 2025 issued by WLB Asset II C Pte. Ltd. in December 2021 (the “**WLB4Climate**”), and the US\$45 million 6.50% Women’s Livelihood Bonds due 2026 issued by WLB Asset II D Pte. Ltd. in December 2022 (the “**WLB5**”). One of the Portfolio Manager’s key officers is a member of the board of directors of an entity that holds a minority interest in one of the Borrowers. The Portfolio Manager will charge the Issuer certain fees which are payable and non-refundable regardless of whether or not the Loans are disbursed and regardless of the performance of the Borrowers, the Loans and the Bonds. Furthermore, the Subordinated Investor and its general partner are wholly owned by the Portfolio Manager.

## **RISKS RELATING TO THE ABSENCE OF AN OPERATING HISTORY OF THE ISSUER**

The Issuer is a special purpose vehicle whose sole purpose is to issue the Bonds and the Subordinated Indebtedness, to enter into the Loans, to enter into the Limited Guarantee with Sida and to engage in certain ancillary activities related to its participation in the transactions described in this Information Memorandum. The Issuer has no operating history.

Due to the lack of an operating history of the Issuer, Bondholders are not in a position to assess the past performance and operating activities of the Issuer or the operating experience of its Board to determine whether to invest in the Bonds. Moreover, in the absence of an operating history of the Issuer, Bondholders are exposed to the risk that the Issuer fails to achieve its business objectives and may therefore be unable to fulfill its obligations under the Bonds. In such case, Bondholders may suffer a partial or total loss on their investment in the Bonds.

## **RISKS RELATING TO THE RELIANCE ON THIRD PARTIES**

The Issuer will be a party to contracts with a number of third parties. The ability of the Issuer to meet its obligations under the Bonds will depend upon the performance by these third parties of their services in relation to the issue

of Bonds and fulfillment of their respective obligations thereunder. In particular, the Issuer depends on the Portfolio Manager to select the Borrowers, verify their creditworthiness, evaluate their organizational structure, business, corporate governance standards, compliance with applicable laws and other factors to determine whether to extend Loans to the Borrowers, and, once the Loans are extended, to manage the Loans on the Issuer's behalf. In addition, the Corporate Services Provider, the Corporate Officer Provider and the Loan Administrator will provide corporate, independent director nominee and loan administration and cash management services to the Issuer, and the Principal Paying Agent will provide payment services in connection with the Bonds for the Issuer. In the event that any of these third parties fails to perform their respective obligations under the respective agreements to which they are a party, Bondholders may be adversely affected and may suffer a partial or total loss on their investment in the Bonds. See also "*Risks Relating to the Portfolio Manager*" below.

## **RISKS RELATING TO THE PORTFOLIO MANAGER**

Notwithstanding the information provided to prospective investors in this information memorandum for the purpose of evaluating the Bonds, prospective investors may not have an opportunity to evaluate for themselves all the relevant economic, financial and other information that the Portfolio Manager must consider when making management decisions on behalf of the Issuer and, accordingly, the Bondholders will be dependent on the judgment and ability of the Portfolio Manager in making management decisions on behalf of the Issuer. No assurance can be given that the Portfolio Manager, acting on behalf of the Issuer, will be successful in making management decisions beneficial to the Bondholders.

The Portfolio Manager's team comprises individuals having substantial investment banking experience as well as experience working with and extending financing to women-focused enterprises. However, the historical performance of the Portfolio Manager, the Portfolio Manager's team members and/or the transactions that they managed and monitored, including the Portfolio Manager's management of prior issuances of bonds under the WLB Series, may not be indicative of future performance or its ability to perform its obligations under the Portfolio Management Agreement. Other than its management of the loan portfolios funded through the WLB1, WLB2, WLB3, WLB4Climate and the WLB5, the Portfolio Manager has limited experience in managing assets and there can be no assurance that the Borrowers selected by the Portfolio Manager will perform their respective obligations under the Loans. There can be no assurance that an event of default under one or more of the Loans or another event that will allow the Issuer (or the Portfolio Manager on its behalf) to accelerate one or more of the Loans will not occur. While the Portfolio Manager has managed a loan default, there can be no assurance that the Portfolio Manager would be adequately prepared to manage future loan defaults to the benefit of the Bondholders or at all; the failure of the Portfolio Manager to effectively manage any default under a Loan may adversely affect the Issuer's financial condition and, consequently, the Issuer's ability to meet its payment obligations under the Bonds.

A person providing investment advice to the Issuer, such as the Portfolio Manager, may be deemed to be an "investment adviser," "commodity pool operator" or "commodity trading adviser" under U.S. law. Absent an exemption, such persons generally must register in one or more of those capacities with the SEC and/or the U.S. Commodity Futures Trading Commission. Because none of these registrations are expected to be sought, the investor protections available under the U.S. Investment Advisers Act of 1940, as amended, and the Commodity Exchange Act may not be available to the Issuer. Should such registrations ultimately be found to have been required but not obtained, the Portfolio Manager could be subject to various potential sanctions and penalties.

## **A CHANGE IN PORTFOLIO MANAGER MAY ADVERSELY AFFECT COLLECTIONS ON THE LOANS**

A change in the Portfolio Manager, especially to a third party unaffiliated with IIX, or in the key officers of the Portfolio Manager may result in a temporary disruption of the administration and servicing of the Loans. This may adversely affect the Issuer's financial condition and, consequently, the Issuer's ability to meet its payment obligations under the Bonds. There can be no assurance that a replacement portfolio manager would perform to the satisfaction of the Bondholders, or at the same or similar level of competence as the Portfolio Manager. Similarly, if the Portfolio Manager were to fail to perform its duties, there can be no assurance that a replacement portfolio manager would be found and/or begin to perform its duties before the interests of the Bondholders are adversely affected.

## **NO PERSON IS OBLIGATED TO UPDATE THIS INFORMATION MEMORANDUM**

The information and disclosure contained herein speaks only as of the date hereof. None of the Issuer, the Portfolio Manager, the Placement Agents or any of their respective affiliates nor any other party or governmental body has an obligation to update the information contained herein.

## **II. Risks Relating to the Performance of the Loans**

### **RISKS RELATING TO THE CREDIT RISK OF THE BORROWERS**

The Bonds represent a claim against the Issuer only. The Bonds do not represent a claim against the Borrowers. However, as the ability of the Issuer to meet its payment obligations under the Bonds depends on its receipt of payments under the Loans, Bondholders will be exposed to the credit risks of the Borrowers. A default by one or more Borrowers will adversely affect the Issuer's ability to meet its payment obligations under the Bonds and, as a result of any such default, Bondholders may suffer a partial or total loss of their investment in the Bonds. Certain of the entities to which loans have been extended in past WLB transactions have experienced adverse circumstances that have threatened to impair their ability to repay such loans in a timely manner. For example, in light of the circumstances affecting one of the borrowers in WLB4Climate, the Portfolio Manager currently classifies, for internal credit management purposes, the loan to it as "doubtful," which means that the Portfolio Manager regards collection or full liquidation of the loan to be highly questionable or improbable but the exact amount that may not be collected remains undeterminable. The Borrowers of WLB6 may experience similar or worse adverse circumstances.

### **RISKS ARISING FROM ACTIVITIES OF THE CLIENTS OF THE BORROWERS**

Our Borrowers include microfinance institutions and specialized lenders to small and medium-sized businesses. The activities of clients of such institutions, and the corporate governance and legal compliance standards that apply to those activities, may differ significantly from the activities and standards of clients of more mainstream financial institutions in developed and developing countries. While the Borrowers are subject to oversight and regulation by local regulatory authorities and the terms of the Loans will contain restrictions on the activities of the Borrowers and on the purposes for which the Borrowers may make loans to clients, certain activities of a Borrowers' clients that are legal and deemed acceptable in the country in which that Borrower is located may not be legal or deemed acceptable in other jurisdictions, including countries in which prospective investors are located. Prospective investors should be aware that the proceeds of their Bonds may be used to finance such activities.

### **RISKS RELATING TO THE REGULATORY ENVIRONMENT AND TRANSPARENCY OF THE BORROWERS**

The Borrowers may be subject to materially less stringent regulatory requirements than similar organizations in developed countries. The scope and content of such regulations vary by country and depend, *inter alia*, upon the type of legal existence that a Borrower may take in a particular country. Adverse developments in the legal and regulatory frameworks applicable to a Borrower's activities may have a negative impact on the future performance of the Borrower's business and its ability to fulfill its obligations under the Loans.

Additionally, the "best practices" that are followed by entities in developed and other developing countries may differ from, and be significantly more developed and more stringently enforced than, the general business, internal controls and corporate governance practices in the countries where the Borrowers operate. In addition, the type and quantity of information collected and used by the Borrowers that are microfinance institutions, specialized lenders or similar businesses to assess potential new clients and to monitor current clients may be materially different, and significantly less, than the information that is typically provided to credit and financial institutions in developed countries. Moreover, as part of its ongoing reporting and monitoring services, the Portfolio Manager may not have, and may not be able to obtain, detailed information regarding how proceeds of the Loans are used by clients of the Borrowers. As a result of the above factors, there may be more limited and less transparent information available regarding the Borrowers, and the clients of the Borrowers, than for more mainstream financial institutions or other businesses and their clients in a prospective investor's home country.

### **RISKS ARISING FROM THE CREDIT PROFILE OF THE MICRO-LOANS TO BE EXTENDED BY CERTAIN OF THE BORROWERS**

Certain of the Borrowers will use the Loan proceeds to make loans to micro-entrepreneurs, many of whom have incomes below the poverty level in the relevant jurisdiction and little or no previous credit history with commercial or other lenders, or to refinance other lendings to such micro-entrepreneurs. Such micro-loans have high credit risk and are typically not secured by any collateral or other type of traditional guarantee. There is no assurance that the micro-loans will be repaid and in the event they are not, the relevant Borrowers' financial condition may be adversely affected and this, in turn, will affect their ability to repay the Loans. Consequently, the Issuer's financial condition and its ability to meet its payment obligations under the Bonds may be adversely affected.

## **RISKS ASSOCIATED WITH THE DUE DILIGENCE CARRIED OUT IN RELATION TO THE BORROWERS**

The Portfolio Manager conducted due diligence exercises in relation to the Borrowers prior to the issuance of the Loans. However, such due diligence was not exhaustive and was focused primarily on consideration of documents and information provided to the Portfolio Manager by the Borrowers, as well as searches conducted and inquiries made in relation to the Borrowers. The Portfolio Manager has not conducted comprehensive due diligence of all aspects and risks that may potentially affect the creditworthiness of the Borrowers, their organizational structure, their compliance with applicable laws, the conduct of their business and other factors which may be relevant to evaluating their ability to meet their obligations under the Loans. Failure to identify such factors or risks in the course of the Portfolio Manager's limited due diligence may have an impact on the recoverability of the Issuer's claims under the Loans and may eventually lead to a partial or total loss of the Bondholders' investment in the Bonds.

## **RISKS ASSOCIATED WITH THE DUE DILIGENCE CARRIED OUT IN RELATION TO THE IMPACT ASSESSMENT OF THE BORROWERS**

The Portfolio Manager has prepared an impact assessment report on each of the Borrowers, a summary of which has been included in this Information Memorandum. However, there can be no assurance that such assessment is accurate or complete, since it was prepared based on information provided by each of the Borrowers and is subject to uncertainties relating to the implementation of the plans of each of the Borrowers. In addition, all of the conclusions regarding the assessments are those of the Portfolio Manager alone and have not been checked or verified by the Issuer or the Placement Agents. Such assessments constitute forward-looking statements and, to the extent such assessments prove to be inaccurate or incomplete, the Loans issued to the Borrowers may not have the social or environmental impact that was anticipated by the Portfolio Manager.

## **RISKS RELATING TO THE BORROWERS' INFORMATION**

The information provided by the Borrowers regarding their business, operations, organizational structure and compliance with applicable laws and regulations may be incomplete or misleading. The financial and other information concerning the Borrowers on which the Portfolio Manager relies in selecting and monitoring the Borrowers is provided primarily by the Borrowers themselves. There is no assurance that this information is or will be accurate and complete. The Portfolio Manager exercises normal care and diligence in assessing the accuracy and completeness of such information provided by the Borrowers, but makes no representation or warranty in this regard. The creditworthiness of the Borrowers may be poorer than the Portfolio Manager expects and there can be no assurance that the Borrowers will be able to fulfill their payment and other obligations under the Loans. Any failure of the Borrowers to do so may have an adverse impact on the Issuer's cash flows and financial condition, which may in turn affect the Issuer's ability to fulfill its payment and other obligations under the Bonds. Bondholders may, as a result, lose the whole or part of their investment in the Bonds.

## **RISKS RELATED TO THE RAPID GROWTH OF MANY OF THE BORROWERS**

In recent years, many of the Borrowers have experienced, and continue to experience, high rates of growth in, *inter alia*, their number of clients, their number of branches and/or agencies, the volume of their business (such as the number of micro-loans made), the geographic scope of their activities, (in the case of microfinance institutions) their average micro-loan size per client and other measures of their business activity. These rates of growth often exceed the rates of growth of other entities engaged in similar activities in the countries in which the Borrowers are located and in other developed and developing countries. There is no assurance that any of the Borrowers have, or will have, sufficient manpower, skill levels and/or financial resources to sustain such growth in the future. This could adversely impact the ability of Borrowers to carry out sufficient due diligence procedures on new clients, monitor existing clients, make collections on micro-loans or to appropriately carry out other

business activities, which could adversely impact the ability of Borrowers to make payments on the Loans. The ability of the Issuer to make payments on the Bonds could therefore be adversely affected.

## **RISKS ARISING FROM FOREIGN CURRENCY EXCHANGE LAWS**

In times of economic, political or social crisis, there is a risk that governments may decide to suspend or postpone certain of their services or obligations for a fixed period of time or until the end of certain force majeure events, e.g., during war, natural disasters or pandemics. Such moratoriums may in particular apply to banking transactions, including those involving foreign loans, or foreign exchange transactions, in each case including those involving private parties. It is possible that governments in jurisdictions where the Borrowers are domiciled or operate may impose such moratoriums or similar actions, which may lead to a suspension or postponement of payments under the micro-loans, or other financing extended by the Borrowers to their clients, to the Borrowers or of payments due under the Loans to the Issuer. Any foreign exchange or banking moratorium or actions with similar effects imposed in countries where Borrowers are domiciled may therefore lead to a default under the Loans. Bondholders may, as a result, lose the whole or part of their investment in the Bonds.

## **RISKS ARISING FROM EMERGING MARKET RISKS IN COUNTRIES WHERE THE BORROWERS ARE DOMICILED**

The countries where the Borrowers are located are emerging markets. Investing in emerging markets involves certain systemic, financial, political and other risks and special considerations which include (but are not limited to):

- risks associated with political, regulatory, economic and fiscal uncertainty, including the risk of nationalization or expropriation of assets and any risk of war and revolution and natural events;
- fluctuations of currency exchange rates, including significant devaluations of local currency;
- high rates of inflation;
- confiscatory taxation, taxation of income or other taxes or restrictions imposed with respect to investments in foreign nations; and
- economic and political risks, including potential foreign exchange controls and restrictions on the repatriation of funds.

In addition, the Borrowers operate in political, economic, social and business environments substantially different from and typically less favorable than those of the United States, the European Union (the “EU”), the United Kingdom and other developed countries. Adverse developments in any of these environments may impair certain Borrowers’ ability to make, analyze, supervise, record or collect on micro-loans, or to function successfully in other businesses in which they operate, which may impair their ability to meet their payment obligations under the Loans. In addition, other developed and/or developing countries may take military or political action against any of the countries in which the Borrowers are located, including the imposition of economic or other sanctions, that could have a negative impact on the operations, business and financial condition of the Borrowers, the value and/or enforceability of the Loans and/or the ability of an investor to hold or trade in the Bonds.

Specific economic risks in certain developing countries where the Borrowers are located include, but are not limited to, the following: declines in economic growth reducing the ability of the Borrowers’ clients to service their micro-loan or other obligations to the Borrowers; fluctuations in currency exchange rates making it difficult for Borrowers whose loans are denominated in U.S. dollars to service their loans; and sharp fluctuations in interest rates rendering uncertain or unfavorable the terms of the micro-loans or other financing offered by the Borrowers to their clients. In addition, certain of the countries where the Borrowers are located have experienced high rates of inflation, devaluation of local currency and foreign exchange controls in the past, and there is no guarantee that similar events will not occur during the term of the Loans.

Additional specific government actions in certain developing countries that could elevate the risk of the Borrowers located there being able to service the Loans include foreign investment controls and adverse changes in regulatory structures and anti-usury laws. MFIs, including certain of the Borrowers, typically charge higher interest rates than commercial banks due to higher operating costs. Governments have in the past, and may in the future, impose

anti-usury laws or usury ceilings on interest rates that could lower the returns on the loans they make, could make it financially unviable for the Borrowers to operate and/or could render some of the loans they make unenforceable. Furthermore, the countries in which the Borrowers are located may have less certain and/or developing regulatory environments, with the corresponding risks of potential changes in law, less certain administration of law and/or less certain enforceability of judgments. There may be no treaty or agreement between a country in which a Borrower operates and Mauritius or the U.K. stipulating the recognition and/or enforcement in one country of judgments (other than arbitration awards) in civil and commercial matters passed in the other country. As a result, it may be difficult or impossible to enforce the judgments of English courts, or Mauritius courts following English law, in any country in which a Borrower operates that has no such treaty or agreement.

In addition, the Borrowers' ability to meet their payment obligations under the Loans could be adversely affected by social and/or political instability in their home country or neighboring countries, or by adverse relations between their home country and neighboring countries. See Appendix A to this Information Memorandum for additional information about the countries in which the Borrowers operate.

### **RISKS ARISING FROM NATURAL DISASTERS AND SIMILAR FORCE MAJEURE EVENTS IN COUNTRIES WHERE THE BORROWERS ARE DOMICILED**

The Borrowers are domiciled and/or operate in countries which are relatively less equipped than more developed countries to deal with natural disasters such as floods, tsunamis, hurricanes, typhoons and earthquakes and pandemics such as the COVID-19 pandemic and outbreaks of avian influenza (bird flu) and similar diseases. Furthermore, some of the Borrowers are domiciled and/or operate in regions which have faced political and ethno-political conflicts, revolutions, terrorist acts or social unrest as well as severe economic downturns in the past. Such countries may not efficiently and quickly recover from such force majeure events, which could have a materially adverse effect on a Borrower's ability to meet its payment obligations under the Loans. In case of such force majeure events in one or more countries where the Borrowers are domiciled and/or operate, the micro-loans and other financing granted by the Borrowers that are financial institutions would be subject to substantial default risks. In particular, it is possible that local currencies will be subject to hyper-inflation or significant exchange losses. In such cases, clients who have taken out micro-loans and other financing granted by the Borrowers may not be able to meet their payment obligations as they come due or may decide to cease payments of interest or repayments of principal to the Borrowers. Clients of Borrowers other than financial institutions may experience similar difficulties or similarly default on their payment or other obligations to the Borrowers due to force majeure events. Further, Borrowers themselves may be subject to further losses resulting from hyper-inflation or adverse effects resulting in significant exchange losses. As a result, Borrowers may not have sufficient available funds to meet their own payment obligations and may eventually also default under the Loans. Any occurrence of a force majeure event in countries where the Borrowers are domiciled may therefore lead to a partial or total loss of the Bondholder's investment in the Bonds.

### **THE ECONOMY AND BUSINESS ENVIRONMENT MAY BE DISRUPTED BY POLITICAL OR SOCIAL INSTABILITY IN THE COUNTRIES WHERE THE BORROWERS ARE DOMICILED**

Political or social instability may disrupt the economy and business environment in the countries in which the Borrowers are domiciled. The following paragraphs highlight a non-exhaustive list of the political, social and economic risks in Cambodia, Indonesia, India, Kenya and Vietnam.

The history of Cambodia has been characterized by political instability, civil war and periodic border disputes. While Cambodia has experienced more political stability in recent years, there have been instances of unrest which could have a direct impact on the political and economic conditions of Cambodia as a whole. For example, recently there have been instances of suppression by the Cambodian Government of dissenting political opinion and the exercise of similar rights. In addition, government authorities in Cambodia exercise a high degree of discretion and as a result, they may act arbitrarily or they may be influenced by political or commercial considerations, including expropriation of properties or licenses of the Borrowers, in the event of political or social disruption. Moreover, government authorities also have the power in certain circumstances, to interfere with the performance of, nullify or terminate contracts. Unlawful, selective or arbitrary governmental action may include the imposition of payment obligations, criminal prosecutions and civil actions. Although arbitrary, selective or unlawful governmental action may be challenged in courts, such action may lead to a termination of contracts, civil litigation, criminal proceedings and imprisonment of key personnel, which could adversely impact the business and financial condition of any Borrowers having operations in Cambodia.

Political campaigns, elections and other developments in Indonesia have in the past and may continue to bring a degree of political and social uncertainty to Indonesia. Indonesia continues to face various socio-political issues and has, from time to time, experienced political instability and social and civil unrest. These events have resulted in political instability, as well as general social and civil unrest on certain occasions in recent years. Indonesia also has a history of demonstrations and social protests concerning Indonesian politics as well as in response to specific issues, including fuel subsidy reductions, privatization of state assets, anticorruption measures, minimum wage, decentralization and provincial autonomy, actions of former government officials and their family members, potential increases in electricity tariffs, human rights violations and international geopolitical events. Recently, Indonesia has experienced social and civil unrest in relation to the government's adoption of measures reducing regulation on business at the expense of workers' rights and environmental protections. There can be no assurance that demonstrations or protests will not occur in the future or that such events will not adversely affect the business or operations of the Borrower headquartered in Indonesia. Additionally, Indonesian legal principles relating to the rights of debtors and creditors, or their practical implementation by Indonesian courts, may differ materially from those that would apply within the jurisdiction of the United States, the European Union member states or the United Kingdom, which could materially and adversely affect our ability to enforce the Loans against any Borrower having operations in Indonesia.

The Indian economy has also been affected by economic uncertainties, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture and various other factors. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes upon the Indian economy. Conditions outside India, such as a recession or decline in the economic growth of other major countries, especially the United States and China, have an impact on the growth of the Indian economy, and the government's policies may change in response to such conditions. Additionally, an increase in trade deficit, a downgrade in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively impact interest rates and liquidity, which could adversely impact the Indian economy and the business of any Borrower having operations in India. In addition, potential border conflicts in Kashmir region and swaying momentum in India-China relations would add further pressure to the social and political stability while expected uncertainty about policy continuity ahead of the 2024 general elections is on the rise.

While Kenya has been experiencing growth in recent years, its economic development has been reported to be impaired by governance and corruption issues. Unemployment is also reported to be significant. Further, political and social tensions stem from social inequality, security risks, including cross-border spillovers from the ongoing conflict in Sudan and latent tensions in Ethiopia and Somalia. The country retains a fractured political framework and individual rivalries along with ethnic, tribal and religious divides, which spilled over into violence in 2008 with continued incidents of political violence events in 2023. In addition, past elections have been marred by discrepancies; in 2017, the Supreme Court annulled the result of the Presidential election, calling for a new one to be held. Elections have also been prone to lead to violence, inflaming underlying ethnic tensions. Kenya has experienced a recent public demonstration to decry the end of subsidies and rising taxes as the country's debt crisis looms. These protests were called for by members of the opposition political parties, including a former presidential candidate. Similar or other future events may cause further political, economic or social instability in Kenya; such instability could materially and adversely affect the business of any Borrower having operations in Kenya.

Vietnam is a one-party state ruled by the Communist Party of Vietnam (CPV). The CPV provides strategic direction and decides all major policy issues which the government then implements. The country is led by the CPV General Secretary, State President, Prime Minister and National Assembly Chair. Party leaders are selected every five years at the National Party Congress and the most recent Congress was held in February 2021. The key political and social risks encountered by Vietnam include widespread corruption, which is caused by low levels of transparency, accountability, and media freedom, as well as poor remuneration for government officials and inadequate systems for holding officials accountable. Further, regulatory uncertainty, a weak and opaque legal regime, poor enforcement of intellectual property rights, shortage of skilled labor, restrictive labor practices, ambiguous tax regulations and slow government decision-making processes pose business risks. Statutory restrictions on foreign investment are also prevalent in Vietnam, and such restrictions are reviewed periodically. In addition, accounting systems are also reported to be inconsistent with international norms, which increases transaction costs for investors. All these factors could adversely impact the business and financial condition of any Borrowers having operations in Vietnam. In 2021, a survey by the American Chamber of Commerce in Hanoi identified the need for "administrative reforms that streamline regulations and promote transparency" as the most important element of a roadmap for sustainable growth in Vietnam.

The occurrence of regional epidemics or a global pandemic, such as COVID-19, may adversely affect the operations, financial condition, and results of operations of any Borrower. The extent to which global pandemics impact any of their business going forward will depend on factors such as the duration and scope of the pandemic; governmental, business, and individuals' actions in response to the pandemic; and the impact on economic activity, including the possibility of recession or financial market instability. Measures to contain a global pandemic may intensify other risks described in these Risk Factors.

## **RISKS RELATING TO RUSSIA'S MILITARY ACTION AGAINST UKRAINE**

On February 24, 2022, Russia launched a large-scale military action against Ukraine, which has caused a significant humanitarian crisis in Ukraine and broader Europe. Beyond this, it has also negatively impacted global commodity and financial markets, leading to material increases in the prices of energy, oil, gas, certain agriculture inputs and other raw materials. This has led to heightened inflationary pressures. In response to the Russian military action against Ukraine, the United States, the European Union, the United Kingdom and other jurisdictions have imposed, and may further impose, financial and economic sanctions against Russia. While the Borrowers do not have any assets in or market exposure to Russia or Ukraine, the effect of Russia's military action on global commodity and financial markets remains uncertain and its effects could precipitate in a recession in parts of the global economy, including in the countries where the Borrowers and their clients operate, which could affect the financial condition, results of operations or cash flows of the Borrowers. Furthermore, a persisting or escalating conflict could lead to further increases in the cost of living and prices of energy and raw material inputs for the clients of the Borrowers. Such developments would negatively affect the payment capacity of the clients of the Borrowers and may lead to a default under the Loans. Bondholders may, as a result, lose the whole or part of their investments in the Bonds.

## **RISKS RELATING TO DEFAULT BY THE BORROWERS**

If one or more of the Borrowers defaults on its Loan, Bondholders may suffer a partial or total loss of their investment in the Bonds. The recovery process related to any defaulted Loans may extend beyond the Maturity Date until the Long-Stop Date, and there can be no assurance that amounts recovered during this period, if any, will be sufficient to discharge the Issuer's payment obligations under the Bonds. Borrowers in past WLB Series transactions have experienced adverse circumstances that have threatened to impair their ability to repay such loans in a timely manner; the Borrowers of WLB6 may experience similar or worse circumstances. See "*Risks Relating to the Credit Risk of the Borrowers.*"

## **RISKS RELATING TO THE MATURITY OF THE LOANS**

The Loans are on average of longer duration than most loans made to the Borrowers by banks. Loans of longer duration may carry more risk, due to the longer period of time during which an event of default under the relevant Loan or other event that will allow the Issuer (or the Portfolio Manager on its behalf) to accelerate the related Loan may occur. As a result, the Loans may carry more risk than previous loans made to the Borrowers. A Borrower's ability to meet its obligations under a prior loan is not indicative of its ability to meet its obligations under the Loans. A default by one or more Borrowers will adversely affect the Issuer's ability to meet its payment obligations under the Bonds and, as a result of any such default, Bondholders may suffer a partial or total loss of their investment in the Bonds.

## **RISKS RELATING TO LOAN DISBURSEMENTS**

Loan disbursements pursuant to the Loans are expected to be made promptly upon receipt of the proceeds from the issue of the Bonds. In certain cases, however, the Loan disbursements may be subject to delays, or may not be made at all. While the Issuer has the ability to reallocate, to the extent permitted under the Conditions, Loan amounts in the event an originally contemplated Loan will not be extended, it may not be able to reallocate such amounts fully or at all. If any Loan disbursements have not been made within 120 days after the Closing Date, an amount corresponding to such undisbursed Loans shall be used to redeem an equivalent principal amount of Bonds and Subordinated Indebtedness at par without interest. Any such redemption may result in Bondholders forgoing interest on that portion of the Bonds until redemption. Any such redemption may also result in the Issuer's remaining portfolio of Loans being less diversified than expected.

## **RISKS RELATING TO DISCLOSURE AND ACCOUNTING STANDARDS**



Businesses located in emerging markets may not be subject to uniform accounting, auditing and financial reporting standards and auditing practices and requirements, or such standards, practices and requirements may not be comparable to those applicable to businesses in developed countries. Standards of financial reporting and disclosure in certain developing countries where Borrowers are located are or may be materially less stringent than those of the United States, the EU, Singapore or other developed countries. In addition, accounting principles and reporting standards adopted by the Borrowers may differ in significant respects from those applied in the United States, the EU, Singapore or other developed countries. The financial information of the Borrowers presented in this Information Memorandum has not been reconciled or adapted to accord or conform with the accounting and reporting standards applied in the United States, the EU, Singapore or other developed countries. Therefore, prospective investors of the Bonds will need to take into account these differences and seek clarification and guidance from their financial and other advisors with respect to standards with which they may not be familiar when making their investment decisions.

### **III. Risks Related to the Bonds**

#### **THE BONDS MAY NOT BE A SUITABLE INVESTMENT FOR ALL INVESTORS**

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

- have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in this Information Memorandum;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds (including the risk that the investor may lose the whole of its investment in the Bonds), including where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the Conditions and the contents of this Information Memorandum and seek independent advice if necessary; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

#### **INTEREST RATE RISK**

Interest rate risk is one of the central risks of interest-bearing bonds. The interest rate level on the money and capital markets may fluctuate on a daily basis and cause the value of the bonds to change just as frequently. The interest rate risk is a result of the uncertainty with respect to future changes of the market interest rate level. As the market interest rate changes, the price of bonds also changes, but in the opposite direction. If the market interest rate increases, the price of bonds typically falls, until the yield of such bonds is approximately equal to the market interest rate. If the market interest rate falls, the price of bonds typically increases, until the yield of such bonds is approximately equal to the market interest rate. The market interest level is strongly affected by public budget policy, the policies of central banks, the overall economic development and inflation rates, as well as by foreign interest rate levels and exchange rate expectations. The importance of individual factors cannot be directly quantified and may change over time.

#### **NO ASSURANCE FOR SUITABILITY FOR CERTAIN INVESTMENT CRITERIA**

There is currently no market consensus on what precise attributes are required for a particular activity to be defined as "sustainable," and therefore no assurance can be provided to investors that the Issuer's activities, including the Loans, will meet all investor expectations regarding social and/or environmental performance. Although the Issuer's activities, including the Loans, will be selected in accordance with the categories recognized by the International Capital Market Association's Sustainability Bond Guidelines, and will be developed in accordance with relevant legislation and standards, there can be no guarantee that the Issuer's activities, including the Loans, will deliver the social and/or environmental benefits as anticipated, or that adverse social or environmental impacts

will not occur during the design, construction, commissioning and operation of the Issuer's activities, including the Loans. In addition, where any negative impacts are insufficiently mitigated, the Issuer's activities, including the Loans, may become controversial, and/or may be criticized by activist groups or other stakeholders.

In connection with the offering of the Bonds, Tameo Impact Fund Solutions SA has issued opinions regarding compliance with the International Capital Market Association's Sustainability Bond Guidelines and the Orange Bond Principles (the "**Second Party Opinions**"). The Second Party Opinions are not a recommendation to buy, sell or hold securities and are only current as of the date that the Second Party Opinions were initially issued. In addition, although we have agreed to certain reporting and use of proceeds obligations in connection with certain environmental and sustainability criteria, our failure to comply with such obligations will not in all cases constitute a breach or an event of default under the Bonds. Withdrawal of one or both of the Second Party Opinions or any failure by us to use the proceeds from the Bonds as described in the Second Party Opinions, or to meet or continue to meet the investment requirements of certain environmentally- or sustainability-focused investors with respect to the Bonds may affect the value of the Bonds and/or may have consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

No assurance can be provided with respect to the suitability of the Second Party Opinions or that the Bonds will fulfill the sustainability criteria to continue to qualify as sustainability bonds under relevant standards. Each potential purchaser of the Bonds should determine for itself the relevance of the information contained in this Information Memorandum regarding the use of proceeds and its purchase of the Bonds should be based upon such investigation as it deems necessary.

## **RISKS RELATING TO SUBORDINATION OF BONDHOLDERS' CLAIMS**

On each Bond Payment Date, Maturity Date, Long-Stop Date and/or Special Redemption Date (as defined in the Conditions), payments of interest and repayments of principal (if any) will be made to Bondholders in the manner and in the priorities set out in the Conditions described in this Information Memorandum.

Certain amounts payable by the Issuer to third parties such as various agents will rank in priority to, or *pari passu* with, payments of principal and interest on the Bonds, both before and after an enforcement of the Charged Assets. In case of insufficient funds of the Issuer for fulfilling all payment obligations when due, Bondholders are exposed to the risk of suffering a partial or total loss on their investment in the Bonds.

## **RISKS RELATED TO BOOK-ENTRY INTERESTS**

Unless and until definitive Bonds are issued in exchange for book-entry interests (the "**Book-Entry Interests**"), holders and beneficial owners of Book-Entry Interests will not be considered the legal owners or holders of Bonds under the Trust Deed. After payment to the Principal Paying Agent, the Issuer will not have responsibility or liability for the payment of interest, principal or other amounts to Euroclear or Clearstream, Luxembourg or to holders or beneficial owners of Book-Entry Interests.

The nominee of the depository for Euroclear and Clearstream, Luxembourg, as applicable, will be the registered holder of the Bonds represented by the Global Certificate and will be the sole legal Bondholder of the Global Certificate under the Trust Deed while such Bonds are represented by the Global Certificate.

Each person owning a Book-Entry Interest must rely on the relevant procedures of Euroclear and/or Clearstream, Luxembourg and, if such person is not a participant ("**Participant**") in Euroclear and/or Clearstream, Luxembourg, on the procedures of the Participant through which such person owns its interest, to exercise any right of a Bondholder under the Trust Deed.

Payments of principal and interest on, and other amounts due in respect of, the Global Certificate will be made in accordance with the relevant rules and procedures of Euroclear and/or Clearstream, Luxembourg by the Principal Paying Agent to the nominee of the depository for Euroclear and Clearstream, Luxembourg, as applicable. Upon receipt of any payment from the Principal Paying Agent, Euroclear and Clearstream, Luxembourg, as applicable, will promptly credit the relevant Participants' accounts with payment in amounts proportionate to their respective ownership of Book-Entry Interests as shown on their records. The Issuer expects that payments by Participants or indirect payments to owners of Book Entry Interests held through such Participants or persons that hold interests in the Book-Entry Interests through Participants ("**Indirect Participants**") will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers registered in "street name", and will be the responsibility of such Participants or Indirect Participants. None of the

Issuer, the Portfolio Manager, the Bonds Trustee or any Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, the Book-Entry Interests or for maintaining, supervising or reviewing any records relating to such Book-Entry Interests.

Unlike Bondholders, holders of the Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by or on behalf of the Issuer for consents or requests by or on behalf of the Issuer for waivers or other actions from Bondholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear or Clearstream, Luxembourg (as the case may be) and, if applicable, their Participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of an Event of Default (as defined in the Conditions) under the Bonds, holders of Book-Entry Interests will be restricted to acting through Euroclear and Clearstream, Luxembourg unless and until definitive Bonds are issued in accordance with the relevant provisions described herein under “*Terms and Conditions of the Bonds*.” There can be no assurance that the procedures to be implemented by Euroclear and Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

Although Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfers of Book-Entry Interests among Participants of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Portfolio Manager, the Bonds Trustee or any of their agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective Participants of their respective obligations under the rules and procedures governing their operations.

Certain transfers of Bonds or interests therein may only be effected in accordance with, and subject to, certain transfer restrictions and certification requirements.

#### **BONDHOLDERS MAY NOT BE ABLE TO SELL OR TRANSFER THE BONDS**

The Bonds will be offered and sold within the United States (or to U.S. Persons for purposes of Regulation S under the Securities Act) only to certain accredited and sophisticated investors in reliance on Rule 144A under the Securities Act and an exemption from the Investment Company Act under Section 3(c)(7) thereof and outside the United States in offshore transactions primarily in reliance on Regulation S under the Securities Act. As such, the Bonds will not be registered with the SEC or any state securities commission or similar governing body. The Bonds cannot be resold in the United States by the holders of Bonds in the absence of such registration or an exemption therefrom. No Bond may be sold or transferred unless such sale or transfer is made to a qualified purchaser. The Trust Deed provides additional restrictions on the transfer of Bonds. See “*Transfer Restrictions and Investor Representations*” below.

#### **RISKS RELATED TO THE INVESTMENT COMPANY ACT**

The Issuer has not and will not be registered with the SEC as an investment company pursuant to the Investment Company Act. The Issuer has not so registered in reliance on Section 3(c)(7) of the Investment Company Act. Section 3(c)(7) requires that all holders of the outstanding securities of such an issuer (or, in the case of a non-U.S. issuer, all holders that are U.S. Persons) are “qualified purchasers” as defined in Section 2(a)(51)(A) of the Investment Company Act and related rules. Under the rules, the issuer must have a “reasonable belief” that all holders of its outstanding securities (or, in the case of a non-U.S. issuer, all holders that are U.S. Persons), including transferees, are such qualified purchasers. Consequently, all sales and resales of the securities (or, in the case of non-U.S. issuers, all sales and resales in the United States or to U.S. Persons) must be made pursuant to Rule 144A under the Securities Act, solely to purchasers that are “qualified institutional buyers” within the meaning of Rule 144A and are also qualified purchasers for purposes of Section 3(c)(7).

No opinion or no action position has been requested of the SEC with respect to the Issuer’s qualification for its exemption from registration under the Investment Company Act.

If the SEC or a court of competent jurisdiction were to find that the Issuer is required, but in violation of the Investment Company Act, had failed, to register as an investment company, possible consequences include, but are not limited to, the following: (i) the SEC could apply to a district court to enjoin the violation; (ii) investors in the Issuer could sue the Issuer and recover any damages caused by the violation; and (iii) any contract to which the Issuer is party that is made in, or whose performance involves, a violation of the Investment Company Act

would be unenforceable by any party to the contract unless a court were to find that under the circumstances enforcement would produce a more equitable result than non-enforcement and would not be inconsistent with the purposes of the Investment Company Act. Should the Issuer be subjected to any or all of the foregoing, the business, financial condition and operations Issuer could be materially and adversely affected and this could affect its ability to fulfill its obligations under the Bonds with the result that Bondholders may lose a part or the whole of their investment in the Bonds.

## **RISKS ASSOCIATED WITH AN EARLY REDEMPTION AND POSSIBLE REINVESTMENT**

If the Bonds are redeemed early by the Issuer due to the occurrence of an Event of Default, a Special Redemption Event (as defined in the Conditions) or any other event specified in the Conditions which provide for redemption of the Bonds prior to the Maturity Date, all payments to be made by the Issuer in respect of the Bonds (including payments in case of an early redemption) will be made only from and to the extent that the Issuer has available assets and after the deduction of (i) any due and unpaid fees, costs and expenses of the Portfolio Manager and the Corporate Services Provider, the Corporate Officer Provider, the Loan Administrator, the Bonds Trustee, the Security Trustee, the Account Bank, and the Agents; (ii) payments to Sida; and (iii) certain fees, costs, expenses and taxes incurred by the Issuer in respect of the set up and operation of the Issuer, as well as the sale, unwinding, enforcement or liquidation of the Loans.

Accordingly, in case of an early redemption of the Bonds, Bondholders may receive less than the original amount invested in the relevant Bonds or may not receive any payment at all. In addition, Bondholders may not be able to reinvest the proceeds of such redemption on equivalent terms and may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Bonds. Prospective investors should consider reinvestment risk in light of other investments available at that time.

Bondholders may be exposed to risks connected to the reinvestment of cash resources freed from the Bonds. The return the Bondholder will receive from the Bonds depends not only on the price and the nominal interest rate of the Bonds but also on whether or not the interest received during the term of the Bonds can be reinvested at the same or a higher interest rate than the rate provided for in the Bonds. The risk that the general market interest rate falls below the interest rate of the Bonds during their term is generally called reinvestment risk.

The Bonds may be written down if there are insufficient funds to redeem the Bonds following a Special Redemption Event.

## **RISKS ASSOCIATED WITH CERTAIN FIXED DEPOSITS**

The Issuer may from time to time invest funds deposited in the Debt Service Reserve Account and Collection Account in fixed deposits with a maturity of no more than one month at the Account Bank. See Condition 2.12 of *“Terms and Conditions of the Bonds.”* While the Issuer intends to make such investments to enhance the funds available in the Debt Service Reserve Account and Collection Account without impairing its ability to make anticipated payments, there can be no guarantee that such impairments will not arise. For example, in the event of unexpected expenses or other payment obligations, the Issuer may not be able to unwind its investment in the fixed deposits without incurring penalties that would reduce the amount of funds available in such Accounts, or at all, which may in turn impair the Issuer’s ability to make scheduled payments out of such Accounts, including scheduled interest and principal payments on the Bonds.

## **INFLATION RISK**

Inflation risk is the risk of future money depreciation. The real yield from an investment is reduced by inflation. The higher the rate of inflation, the lower the real yield on the Bonds. If the inflation rate is equal to or higher than the nominal yield of the Bonds, the real yield on the Bonds is zero or even negative. In such case, payments under the Bonds would not outweigh the money depreciation, which would lead to a loss for Bondholders.

## **NO TAX GROSS-UP FOR PAYMENTS ON THE BONDS**

Payments to the Bondholders shall be made subject to any applicable withholding or other taxes that may apply and be required to be withheld on the Bondholders’ behalf by the Issuer. The Issuer will not gross up the amounts of such payments to account for any such taxes and the responsibility to bear such taxes will at all times rest with the Bondholders. The Bonds Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim,

from the Issuer, the Bonds Trustee or any other person any indemnification or payment in respect of any tax consequence of any such payment upon individual Bondholders.

## **RISKS RELATING TO CHANGE OF LAW**

The Conditions, the Trust Deed, and certain other agreements related to the issue of the Bonds will be governed by English law in effect as of the date of this Information Memorandum. Furthermore, the Issuer is incorporated under, and the Security is governed by, Mauritius law. No assurance can be given as to the impact of any possible judicial decision or change to English or Mauritius law, as the case may be (or law applicable in England or Mauritius, as the case may be), or administrative practice in England or Mauritius, as the case may be, after the date of this Information Memorandum.

## **THE BONDS TRUSTEE MAY REQUEST HOLDERS OF THE BONDS TO PROVIDE AN INDEMNITY AND/OR SECURITY AND/OR PREFUNDING TO ITS SATISFACTION**

In certain circumstances, including without limitation giving of notice to the Issuer pursuant to Condition 3 and taking enforcement steps pursuant to Condition 11, the Bonds Trustee may, at its sole discretion, request the Bondholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes actions on behalf of the Bondholders. The Bonds Trustee shall not be obliged to take any such actions if not first indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such actions can be taken. The Bonds Trustee may not be able to take actions, notwithstanding the provision of an indemnity, security or prefunding to it, in breach of the terms of the Trust Deed or the Terms and Conditions of the Bonds and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable laws and regulations, the Bondholders will be required to take such actions directly.

## **SECURITY WILL ALSO BE PROVIDED TO SECURE CERTAIN HEDGING OBLIGATIONS WHICH WILL BE PAID IN PRIORITY TO THE BONDS AND THE VALUE OF THE SECURITY MAY NOT BE SUFFICIENT TO REPAY THE BONDS IN FULL**

In the event of enforcement of the security, the hedging counterparties will be repaid with the proceeds from the enforcement of such collateral in priority to the Bonds, which may adversely affect the ability of the Bondholders to be repaid all amounts due to them under the Bonds.

## **CERTAIN MODIFICATIONS AND WAIVERS MAY BE MADE IN RESPECT OF THE TERMS AND CONDITIONS OF THE BONDS AND THE SUBORDINATED INDEBTEDNESS**

The Conditions provide that the Bonds Trustee may, without the consent of the Bondholders, agree to any modification of the Trust Deed, the Terms and Conditions of the Bonds or the Agency Agreement which, in the opinion of the Bonds Trustee, will not be materially prejudicial to the interests of the Bondholders and to any modification of the Trust Deed, the Terms and Conditions of the Bonds or the Agency Agreement which, in the opinion of the Bonds Trustee, is of a formal, minor or technical nature or is to correct a manifest error or to comply with any mandatory provision of applicable law. The Conditions also permit the Issuer to make, without the consent of the Bondholders or the Bonds Trustee, amendments that, in the opinion of the Issuer, are of a formal, minor or technical nature to, or is to correct a manifest error in, any term of the Subordinated Indebtedness.

In addition, the Bonds Trustee may, without the consent of the Bondholders, authorize or waive any breach or proposed breach of the Trust Deed, the Terms and Conditions of the Bonds or the Agency Agreement (other than a proposed breach, or a breach relating to the subject of certain reserved matters) if, in the opinion of the Bonds Trustee, the interests of the Bondholders will not be materially prejudiced thereby.

## **NOT ALL EVENTS OF DEFAULT WITH RESPECT TO THE BONDS MAY RESULT IN AN ACCELERATION OF THE BONDS**

Under the Conditions, the Bonds may not be accelerated even if an event of default has occurred if the relevant event of default arose solely as the result of one or more breaches or defaults under one or more Loans, and none of the Portfolio Manager, the Corporate Services Provider and the Loan Administrator shall have consented or contributed (whether in whole or in part) to any such breaches or defaults and shall have taken such commercially reasonable actions as are permitted or required under the Portfolio Management Agreement, the Letter of

Engagement, the Corporate Officer and Loan Administration Agreement and the Limited Guarantee to enforce the rights and remedies of the Issuer under such Loans and the Limited Guarantee with respect to each such breach or default. Therefore, there may be circumstances in which an event of default with respect to the Bonds does not result in their acceleration, which could decrease the value of the Bonds to Bondholders and result in a failure to pay principal or interest on the Bonds.

#### **THE BONDS ARE ILLIQUID INVESTMENT INSTRUMENTS AND THERE IS NOT EXPECTED TO BE ANY ACTIVE TRADING MARKET**

The expected final maturity of the Bonds is approximately four years following the Closing Date. Principal repayment of the Bonds will not occur until the principal is repaid on the Loans which will be paid in one lump sum. The Bonds will be a new issue of securities for which there is no existing trading market. Although we intend to apply for the listing of, and quotation for, the Bonds on the SGX-ST, there can be no assurance that such listing will be obtained or that any active trading market for the Bonds will develop or be sustained or whether, or at what price, holders of the Bonds will be able to sell or otherwise transfer their Bonds. Therefore, a market for the Bonds is not expected to develop at any time. If an active trading market for the Bonds does not develop or is not sustained, the market price and liquidity of the Bonds may be adversely affected and you may be unable to resell the Bonds or may only be able to sell them at a substantial discount. The Bonds are intended for investors who purchase and hold the Bonds to maturity. Under normal circumstances, Bondholders will be able to redeem their investment only upon the maturity of the Bonds. Please refer to the section titled “*Transfer Restrictions and Investor Representations*” for restrictions on the sale and transfer of the Bonds.

#### **FOREIGN EXCHANGE RATE RISK**

The Bonds are denominated in USD. If such currency represents a foreign currency to a Bondholder, such Bondholder is particularly exposed to the risk of changes in currency exchange rates which may affect the yield of such Bonds when considered in the Bondholder’s home currency. Changes in currency exchange rates result from various factors such as macroeconomic factors, speculative transactions and interventions by central banks and governments. In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, Bondholders may receive less interest or principal on the Bonds than expected, when considered in the Bondholder’s home currency.

The Issuer is exposed to foreign exchange rate risk as certain Loans will be denominated in, or will otherwise be based on, the local currency of the jurisdiction of the applicable Borrower (the “**non-USD Loans**”), while the Bonds will be denominated in USD. Accordingly, any depreciation of such local currency against USD may reduce any payments of interest on the proceeds of any repayment of the applicable non-USD Loan. In such case, the assets of the Issuer may be insufficient to pay all amounts due in USD on the Bonds. The Issuer will enter into foreign exchange hedge agreements to protect against foreign exchange exposures relating to the non-USD Loans, but the Issuer cannot assure you that it will be completely protected against any foreign exchange exposures.

The terms of the foreign exchange hedge agreement will provide for the ability of the foreign exchange hedge counterparty to terminate such agreement upon the occurrence of certain events. Any such termination in the case of a foreign exchange hedge transaction would result in the Issuer being exposed to foreign exchange risk in respect of the related non-USD Loan for so long as the Issuer has not entered into a replacement foreign exchange hedge transaction, and may result in the Issuer being required to pay a termination amount to the relevant foreign exchange hedge counterparty. There is no assurance that the Issuer will be able to enter into a replacement foreign exchange hedge agreement or that the terms of such replacement hedge agreement will be favorable to the Issuer. See further “*Foreign Exchange Hedging Arrangements*” below.

Any termination payment owed by the Issuer may be significant, and may reduce the amount available for payments on the Bonds.

Defaults, prepayments, and other events may increase the risk of a mismatch between the foreign exchange hedges and non-USD Loans, which may cause losses.

The Issuer will depend upon the foreign exchange hedge counterparty to perform its obligations under any hedges. If the foreign exchange hedge counterparty defaults or becomes unable to perform due to insolvency or otherwise, the Issuer may not receive payments it would otherwise be entitled to from the foreign exchange hedge counterparty to cover its foreign exchange exposure.

## **THERE ARE RISKS RELATING TO THE CREDITWORTHINESS OF THE COUNTERPARTIES TO THE HEDGING TRANSACTIONS AND TO THE FLUCTUATION IN VALUE OF THE HEDGING TRANSACTIONS.**

The holders of the Bonds rely on the creditworthiness of each relevant hedge counterparty in respect of the performance of such counterparty's obligations to make payments pursuant to any hedging agreement. Default by the relevant counterparty may result in termination of the hedging transaction and, in such circumstances, an amount may be payable from one party to the other in accordance with the terms of the hedging agreement in respect of such termination. The Issuer is exposed to fluctuations in the value of the hedging transactions. The value of the hedging transaction(s) to the Issuer may increase or decrease from time to time during the term of the Bonds, the Issuer may be "out-of-the-money" on the hedging transactions throughout that term and the value of the hedging transaction to the Issuer will have a significant impact on the value of the Bonds and the amount that the holders of the Bonds may receive upon redemption of the Bonds.

## **THERE ARE RISKS RELATING TO THE TERMINATION OF THE HEDGING TRANSACTIONS.**

The termination of any hedging transaction may adversely affect the ability of the Issuer to meet its obligations with respect to the Bonds. A hedging transaction will terminate early if either party to the hedging agreement designates an early termination date in respect of all or any hedging transaction or an early termination date otherwise occurs (or is deemed to have been designated), in any case, in accordance with the terms of such hedging agreement following the occurrence of certain events of default or termination events, including an early redemption or an Event of Default under the Bonds. The impact of the early termination of the hedging transaction on the Bondholders will depend on the market conditions at the time of the designation of such early termination and it may also be affected by decisions taken by the holders of the Bonds and or the hedge counterparties.

## **THE BONDS ARE NOT GUARANTEED**

The Issuer's payment and other obligations under the Bonds are not guaranteed by Sida or any other party. There is no guarantee, insurance policy or standby letter of credit being issued to support the Issuer's payment and other obligations under the Bonds.

The Bonds are obligations of the Issuer only and do not represent an interest in or obligation of the Portfolio Manager, the Placement Agents, the Bonds Trustee, the Security Trustee, Sida or any of their respective affiliates or any other party or governmental body. The Issuer's rights, title and interest under the Loans have not been secured in favor of the Security Trustee.

The Issuer will depend primarily on receiving timely payments of principal and interest on the underlying Loans from the Borrowers in order to make payments due under the Bonds. However, the Issuer shall have the benefit of the Limited Guarantee, under which Sida shall reimburse to the Issuer 40% of the net losses of principal incurred by the Issuer as a result of non-payment of principal under the Guaranteed Loans, subject to certain qualification, concentration and other requirements, a maximum payment amount of 40% of the principal amount of each such Loan, and other conditions and limitations. Any losses under the Loans not covered by a Limited Guarantee will be borne by the Issuer, and to the extent the Issuer does not have sufficient funds to pay the Bondholders and other persons who are entitled to payment prior to the Bondholders under the terms and conditions of the Bonds, such losses will be borne by the Bondholders with the result that Bondholders may lose a part or the whole of their investment in the Bonds. Notwithstanding whether the Issuer bears losses under any Loan, Bondholders have no direct recourse to the Limited Guarantee. See "*Description of Certain Material Agreements — The Limited Guarantee.*"

## **RISKS RELATING TO THE LIMITED GUARANTEE**

The Issuer's ability to recover funds under the Limited Guarantee may be limited in certain circumstances, and, in any event, is limited to the recovery of principal on defaulted Loans, not interest. Other limitations and terms of the Limited Guarantee include the following:

- Sida's obligation to pay the Issuer for claims under the Limited Guarantee is capped at the lesser of the fixed U.S. dollar and Swedish krona amount specified in the Limited Guarantee agreement. Each claim is to be made and paid in U.S. dollars, and each claim amount will be converted into Swedish krona for purposes of the Swedish krona cap, based on the exchange rate on the date that the related Loan is disbursed. A sudden appreciation of the Swedish krona against the U.S. dollar between the date of the

Limited Guarantee and the extension of any Guaranteed Loan may therefore reduce the aggregate amount of payments Sida is obliged to make in response to claims under the Limited Guarantee, in turn potentially rendering such payment amount less than 40% of the principal amount of all such Loans in aggregate;

- If, among other events, a Loan is later found to have been ineligible for coverage under the Limited Guarantee, Sida may unilaterally remove the Loan from the coverage of the Limited Guarantee, and refuse to pay any claim amount in relation to such Loan (or, if a claim amount has been paid, require it to be repaid to Sida);
- the Issuer is obligated to cause the relevant Loan to become immediately due and payable (if it has not reached its maturity) and take steps to recover amounts due under the Loan before it can claim for recovery under the Limited Guarantee, and to continue its collection efforts after it receives recovery under such Limited Guarantee;
- the Issuer is prohibited from making material amendments to the terms of the Loans without consent from Sida;
- Sida, as an agency of the Swedish government, may also be entitled to claim sovereign immunity in the event of certain unwaivable actions by the Issuer or the Portfolio Manager to enforce the terms of the Limited Guarantee against them; and
- Certain key individuals are required to (1) have direct or indirect control over the Issuer and Portfolio Manager and (2) devote the majority of their professional time to the Issuer and/or the Portfolio Manager.

Any of these factors may limit the value of the Limited Guarantee to the Issuer. In addition, Sida may not be obligated to make payments under the relevant Limited Guarantee if the Issuer fails to take the required actions under such Limited Guarantee in the event of a default under one or more of the Loans. See “*Appendix B – Sida Loan Portfolio Guarantee Agreement*” for the detailed terms of the Limited Guarantee.

## **RISKS RELATED TO EU AND UK SECURITISATION REGULATION AND DUE DILIGENCE REQUIREMENTS**

Investors should be aware, and in some cases are required to be aware, of the investor diligence requirements that apply in the EU (the “**EU Due Diligence Requirements**”) under the EU Securitisation Regulation, and in the UK (the “**UK Due Diligence Requirements**”) under the UK Securitisation Regulation, in addition to any other regulatory requirements that are (or may become) applicable to them or with respect to their investment in the Bonds.

The EU Due Diligence Requirements apply to institutional investors (as defined in the EU Securitisation Regulation), being (subject to certain conditions and exceptions) (a) institutions for occupational retirement provision falling within the scope of Directive (EU) 2016/2341, and investment managers and authorised entities appointed by such institutions pursuant to Article 32 of Directive (EU) 2016/2341; (b) credit institutions (as defined in Regulation (EU) No 575/2013, as amended (the “**CRR**”)); (c) alternative investment fund managers who manage and/or market alternative investment funds in the EU; (d) investment firms (as defined in the CRR); (e) insurance and reinsurance undertakings as defined in Directive 2009/138/EC; and (f) management companies of UCITS funds (or internally managed UCITS) under Directive 2009/65/EC; and the EU Due Diligence Requirements apply also to certain consolidated affiliates of such credit institutions and investment firms. Each such institutional investor and each relevant affiliate is referred to herein as an “**EU Institutional Investor**”.

The UK Due Diligence Requirements apply to institutional investors (as defined in the UK Securitisation Regulation) being (subject to certain conditions and exceptions): (a) insurance undertakings and reinsurance undertakings as defined in the Financial Services and Markets Act 2000 (as amended, the “**FSMA**”); (b) occupational pension schemes as defined in the Pension Schemes Act 1993 that have their main administration in the UK, and certain fund managers of such schemes; (c) alternative investment fund managers as defined in the Alternative Investment Fund Managers Regulations 2013 which market or manage alternative investment funds in the UK; (d) UCITS as defined in the FSMA, which are authorised open ended investment companies as defined in the FSMA, and management companies as defined in the FSMA; (e) FCA investment firms as defined in Regulation (EU) No 575/2013 as it forms part of UK domestic law by virtue of the EUWA and as amended (the



“**UK CRR**”) and (f) CRR firms as defined in the UK CRR; and the UK Due Diligence Requirements apply also to certain consolidated affiliates of such CRR firms. Each such institutional investor and each relevant affiliate is referred to herein as a “**UK Institutional Investor**”.

EU Institutional Investors and UK Institutional Investors are referred to together as “**Institutional Investors**” and a reference to the applicable “**Securitisation Regulation**” or “**Due Diligence Requirements**” means, in relation to an Institutional Investor, as the case may be, the EU Securitisation Regulation or the UK Securitisation Regulation and the EU Due Diligence Requirements or the UK Due Diligence Requirements, as applicable, to which such Institutional Investor is subject. In addition, for the purpose of the following paragraph, a reference to a “third country” means (i) in respect of an EU Institutional Investor and the EU Securitisation Regulation, a country other than an EU member state, or (ii) in respect of a UK Institutional Investor and the UK Securitisation Regulation, a country other than the UK.

The applicable Due Diligence Requirements restrict an Institutional Investor from investing in a securitisation unless:

- (a) in each case, it has verified that the originator, sponsor or original lender will retain, on an ongoing basis, a material net economic interest of not less than 5% in the securitisation determined in accordance with Article 6 of the applicable Securitisation Regulation, and the risk retention is disclosed to the Institutional Investor (the “**Risk Retention Requirements**”);
- (b) in the case of an EU Institutional Investor, it has verified that the originator, sponsor or securitisation special purpose entity (“**SSPE**”) has, where applicable, made available the information required by Article 7 of the EU Securitisation Regulation in accordance with the frequency and modalities provided for thereunder;
- (c) in the case of a UK Institutional Investor, it has verified that the originator, sponsor or SSPE, if established in a third country, has, where applicable, made available information which is substantially the same as that which it would have been required to make available under Article 7 of the UK Securitisation Regulation if it had been established in the UK, and has done so with such frequency and modalities as are substantially the same as those with which it would have been required to make information available if it had been established in the UK; and
- (d) in each case, it has verified that, where the originator or original lender either (i) is not a credit institution or an investment firm or (ii) is established in a third country, the originator or original lender grants all the credits giving rise to the underlying exposures on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing those credits and has effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of the obligor’s creditworthiness.

The applicable Due Diligence Requirements further require that an Institutional Investor carry out a due diligence assessment which enables it to assess the risks involved prior to investing, including but not limited to the risk characteristics of the individual investment position and the underlying assets and all the structural features of the securitisation that can materially impact the performance of the investment. In addition, pursuant to the applicable Securitisation Regulation, while holding an exposure to a securitisation, an Institutional Investor is subject to various monitoring obligations in relation to such exposure, including but not limited to: (i) establishing appropriate written procedures to monitor compliance with the Due Diligence Requirements and the performance of the investment and of the underlying assets; (ii) performing stress tests on the cash flows and collateral values supporting the underlying assets; (iii) ensuring internal reporting to its management body; and (iv) being able to demonstrate to its competent authorities, upon request, that it has a comprehensive and thorough understanding of the investment and underlying assets and that it has implemented written policies and procedures for the risk management and as otherwise required by the applicable Securitisation Regulation.

Failure by Institutional Investors to comply with one or more of the requirements may result in various penalties including, in the case of those Institutional Investors subject to regulatory capital requirements, the imposition of a punitive capital charge on the Bonds acquired by the relevant Institutional Investor.

On 10 October 2022, the European Commission published a report (the “**Commission Report**”) on the review of the EU Securitisation Regulation in which it expressed its views on the jurisdictional scope of application of the EU Securitisation Regulation in the context of a non-EU securitisation for the purposes of the EU Due Diligence Requirements. In particular, the Commission Report provides guidance on the interpretation of Article 5(1)(e) of the EU Securitisation Regulation (which requires that EU Institutional Investors verify, prior to holding a

securitisation position, that the originator, sponsor or SSPE has, where applicable, made available the information described above) in respect of scenarios where none of the originator, sponsor or SSPE are located in the EU. In the Commission Report, the European Commission considers that differentiating the scope of information provided under the EU Due Diligence Requirements based on whether a securitisation is issued by EU entities or entities based in third countries is not in line with the legislative intent and, as such, that the jurisdiction of the originator, sponsor or SSPE should not affect the interpretation of Article 5(1)(e). It is unclear as at the date of this Information Memorandum whether any amendments to the EU Securitisation Regulation which reflect this interpretative guidance will be adopted. In addition, the European Commission proposed to amend the regulatory technical standards in connection with Article 7 of the EU Securitisation Regulation in order to introduce new simplified reporting templates for private securitisations to make it easier for sell-side parties from third countries to provide the required information for the purposes of the EU Due Diligence Requirements. The content of such new reporting templates and the timing of when they will be introduced and become applicable is unclear at this stage. In the UK, the UK regulators are yet to publicly clarify the parameters for satisfying the “substantially the same as” test for the purposes of the UK Due Diligence Requirements. Therefore, Institutional Investors are required to make their own assessment of information received on this transaction and whether it is sufficient for the purposes of compliance with their Due Diligence Requirements.

Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear. Though some aspects of the detail and effect of all of these requirements remain unclear, these requirements and any other changes to the regulation or regulatory treatment of securitisations or of the Bonds for investors may negatively impact the regulatory position of individual holders. In addition, such regulations could have a negative impact on the price and liquidity of the Bonds in the secondary market.

With respect to the commitment of the Subordinated Investor to retain a material net economic interest in the securitisation, please see the statements set out in “*Regulatory Disclosure*.”

The Issuer (with the assistance of the Portfolio Manager) has agreed to make available reports and information for the purpose of assisting the Bondholders and potential Bondholders to comply with the Due Diligence Requirements. UK Institutional Investors should note that none of the Issuer, the Subordinated Investor, the Portfolio Manager, the Placement Agents, the Bond Trustee, the Security Trustee, their respective Affiliates, corporate officers or professional advisors or any other Person intends to provide the information required by Article 7 of the UK Securitisation Regulation in the form of the templates published by the FCA. For further information, please see the statements set out in “*Regulatory Disclosure*.”

Whether the Issuer will be able to obtain and provide all of the information required to be obtained by investors to satisfy the Due Diligence Requirements is unclear.

Each Institutional Investor should consult with its own legal, accounting, regulatory and other advisers or its regulator before committing to acquire any Bonds to determine whether, and to what extent, the information set out in this Information Memorandum and in any investor report provided in relation to the transaction is sufficient for the purpose of satisfying the Due Diligence Requirements. Each Institutional Investor is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction is sufficient to permit it to comply with the Due Diligence Requirements or any other regulatory requirement. Notwithstanding anything in this Information Memorandum to the contrary, none of the Issuer, the Subordinated Investor, the Portfolio Manager, the Placement Agents, the Bond Trustee, the Security Trustee, their respective Affiliates, corporate officers or professional advisors or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose or that the structure of the Bonds and the transactions described herein are compliant with the Due Diligence Requirements or any other applicable legal regulatory or other requirements and no such person shall have any liability to any prospective investor or any other person with respect to any deficiency in such information or any failure of the transactions contemplated hereby to comply with or otherwise satisfy such requirements. If a regulator determines that the transaction did not comply or is no longer in compliance with the Due Diligence Requirements or any applicable legal, regulatory or other requirement, then Institutional Investors may be required by their regulator to set aside additional capital against their investment in the Bonds or take other remedial measures in respect of their investment in the Bonds.

There can therefore be no assurances as to whether the transactions described herein will be affected by a change in law or regulation relating to the Due Diligence Requirements, including as a result of any changes recommended in future reports or reviews. Institutional Investors should therefore make themselves aware of the Due Diligence Requirements (and any corresponding implementing rules of their regulator), in addition to any

other regulatory requirements that are (or may become) applicable to them and/or with respect to their investment in the Bonds.

## **RISKS RELATED TO TAXATION**

Each Bondholder will assume and will be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Bonds. See “*Singapore Taxation*,” “*Mauritius Taxation*” and “*United States Federal Income Taxation*” in this Information Memorandum for additional information.

### ***Risks Related to U.S. Taxation***

The proper characterization of instruments such as the Bonds for U.S. federal income tax purposes is subject to significant uncertainty. It is possible the Bonds may be treated as equity interests in the Issuer for U.S. federal income tax purposes. The Issuer has elected to be treated to be disregarded as a separate entity for U.S. federal income tax purposes. Therefore, if the Bonds are treated as equity, a U.S. Holder would be treated as a partner in a partnership, in which case the U.S. Holder would be required to include in its gross income its allocable portion of the income, deduction, gain or loss of the Issuer. This generally would result in no greater income inclusions than if the Bonds were respected as debt for U.S. federal income tax purposes. However, if the Bonds were treated as equity in the Issuer and the Issuer is considered to be engaged in a financial business, the Issuer may be treated as a corporation for U.S. federal income tax purposes, and the Issuer may be a “passive foreign investment company” (“**PFIC**”). Such treatment may have adverse U.S. federal income tax consequences for U.S. Holders, including being subject to increased U.S. federal income tax liability and additional reporting requirements. Each U.S. Holder is urged to consult its own tax advisor regarding the U.S. federal income tax consequences of its investment in the Bonds.

### ***Singapore Withholding Taxes on Payments due under the Bonds and the Subordinated Indebtedness***

As the Subordinated Indebtedness is unlikely to qualify as “qualifying debt securities” in Singapore, there is a risk that interest paid on the Subordinated Indebtedness would be subject to withholding tax if such payments are made to a person not known to be a resident in Singapore for tax purposes. The withholding tax implications are more particularly described in the section “*Singapore Taxation*.” If any deduction or withholding for any tax is required in respect of any amounts to be paid by the Issuer, such amounts paid by the Issuer shall be paid net of such deduction or withholding for tax. For the avoidance of doubt, the Issuer will not pay any additional amounts as may be necessary in order that the net amounts received by the Subordinated Investor after such deduction or withholding will equal the amounts that would have been received in the absence of such deduction or withholding. In the event that withholding or deduction of any taxes from payments of principal or interest in respect of the Subordinated Indebtedness is required by law in any other jurisdiction, the Issuer will not be under any obligation to make any additional payments to the holders of any Subordinated Indebtedness in respect of such withholding or deduction.

The Issuer expects that payments of principal and interest in respect of the Bonds will ordinarily not be subject to any withholding tax in Singapore, and the Bonds will enjoy certain other Singaporean tax concessions, as the Bonds are intended to qualify as “qualifying debt securities” in Singapore, subject to the fulfilment of certain conditions more particularly described in the section “*Singapore Taxation*.” However, there is no assurance that the Bonds will qualify as “qualifying debt securities.” In addition, there is no assurance that the Bonds will continue to enjoy the tax concessions in connection therewith should the relevant tax laws be amended or revoked at any time. In the event that withholding or deduction of any taxes from payments of principal or interest in respect of the Bonds is required by law in any jurisdiction, the Issuer will not be under any obligation to make any additional payments to the holders of any Bonds in respect of such withholding or deduction.

## **RISKS RELATED TO THE SECURITY**

The Issuer will rely solely on monies received or recovered on the Loans (whether by way of scheduled payments, enforcement or otherwise) and under the Limited Guarantee to enable it to make payments in respect of the Bonds. There can be no assurance that the amount payable on any early redemption or enforcement of the security for the Bonds will be equal to the original issue price or the outstanding principal amount of the Bonds. Any shortfall in payments due to the Bondholders will be borne in accordance with the priority of payments set forth in the Conditions, and any claims of the Bondholders remaining after a mandatory redemption of the Bonds shall be

extinguished. The cash in the Accounts may be insufficient to pay all principal and interest due on the Bonds. The Portfolio Manager does not have any obligation to any Bondholder for payment of any amount owing by the Issuer in respect of the Bonds.

## **RISKS RELATED TO EXPENSES OF THE ISSUER**

To the extent that any unanticipated or extraordinary costs and expenses of the Issuer that are payable by the Issuer arise in connection with the Bonds or otherwise (including, for example, costs which may need to be incurred in the enforcement of the Loans in the relevant jurisdictions of the Borrowers), the Issuer may have insufficient or no available funds to pay such costs and expenses and there is a risk that payments to the Bondholders may be adversely affected thereby and that the Issuer might become insolvent as a result thereof.

## **ENFORCEMENT OF FOREIGN JUDGMENTS AGAINST THE ISSUER IN MAURITIUS**

Judgments obtained against the Issuer in jurisdictions outside of Mauritius may be enforceable in Mauritius. However, if the applicable conditions are not met, or the required procedures are not followed, they may not be so enforceable. For example, where a foreign judgment had been delivered by a court in the U.K., the judgment creditor may apply to the Supreme Court of Mauritius, within 12 months after the date of the foreign judgment, or such longer period as may be allowed by the Supreme Court of Mauritius, to have the judgment registered in the Supreme Court of Mauritius, and on any such application the Supreme Court of Mauritius may, if in all circumstances of the case it is considered just and convenient that the foreign judgment should be enforced in Mauritius, order the judgment to be registered accordingly. However, such a judgment will not be registered by the Supreme Court of Mauritius where:

- (a) the original court acted without jurisdiction;
- (b) the judgment debtor, being a person who was neither carrying on business nor ordinarily resident within the jurisdiction of the original court, did not voluntarily appear or otherwise submit or agree to submit to the jurisdiction of that court;
- (c) the judgment debtor, being the defendant in the proceedings, was not duly served with the process of the original court and did not appear, notwithstanding that he was ordinarily resident or was carrying on business within the jurisdiction of that court or agreed to submit to the jurisdiction of that court;
- (d) the judgment was obtained by fraud;
- (e) the judgment debtor satisfies the Supreme Court of Mauritius either that an appeal is pending, or that he is entitled and intends to appeal, against the judgment; or
- (f) the judgment was in respect of a cause of action which for reasons of public policy or for some other similar reason could not have been entertained by the Supreme Court of Mauritius.

In addition, any final and conclusive judgment for the payment of money rendered in jurisdictions other than Mauritius or the U.K. can be enforced by the courts in Mauritius without re-examination of the merits of the case by the process of “*exequatur*” pursuant to Article 546 of the Code of Civil Procedure of Mauritius. provided that the following criteria are satisfied:

- (i) the judgment must still be valid and capable of execution in the country where it was delivered;
- (ii) it must not be contrary to any principle affecting public order;
- (iii) the defendant must have been regularly summoned to attend the proceedings; and
- (iv) the court which delivered the judgment must have had jurisdiction to deal with the matter submitted to it.

A party wishing to enforce a foreign judgment in Mauritius must make an application by way of motion supported by affidavit before the Supreme Court of Mauritius. The application must be supported by certain required documentations to certify the authenticity of the foreign judgment.

Upon an application for “exequatur” being made and the Supreme Court of Mauritius being satisfied that the four above-mentioned conditions have been satisfied, an order of “exequatur” in respect of that judgment would issue, and such judgment would become enforceable in accordance with its terms.

## REGULATORY DISCLOSURE

This section should be read in conjunction with “*Risk Factors – Risks Related to the Bonds – Risks Related to EU and UK Securitisation Regulation and Due Diligence Requirements*”.

### Risk Retention Requirements

On the Closing Date, the Retention Holder will enter into a letter addressed to the Issuer, the Bonds Trustee and the Placement Agents (the “**Risk Retention Letter**”), pursuant to which the Retention Holder will, as an originator for the purposes of each Securitisation Regulation, agree, and will irrevocably and unconditionally undertake, that, on an ongoing basis, so long as any Bonds remain outstanding:

- (a) it will retain a material net economic interest in the securitisation described in this Information Memorandum comprising Subordinated Indebtedness in an amount not less than 5% of the aggregate principal balance of the Loans in accordance with Article 6(3)(d) of each Securitisation Regulation (as in effect as of the Closing Date) (the “**Retained Interest**”);
- (b) it will not change the manner or form in which it retains the Retained Interest, except as permitted under the Risk Retention Requirements (as in effect at the relevant time);
- (c) it will not transfer, sell, hedge or otherwise mitigate its credit risk, sell, transfer or otherwise surrender all or part of the rights, benefits or obligations, arising from or associated with the Retained Interest, except to the extent permitted in accordance with the Risk Retention Requirements (as in effect at the relevant time);
- (d) subject to any regulatory requirements, it will provide to the Issuer, on a confidential basis on reasonable request, information in the possession of the Retention Holder relating to its holding of the Retained Interest, at the cost and expense of the party seeking such information, and to the extent such information is not subject to a duty of confidentiality, at any time prior to the date on which the Bonds have been redeemed in full;
- (e) it will confirm in writing:
  - (i) promptly upon the reasonable written request of the Issuer or any Placement Agent, in each case, to such party making such request; and
  - (ii) to the Portfolio Manager on or before the twentieth calendar day of each month commencing in March 2024 for the purposes of inclusion of such confirmation in each investor report,its continued compliance with the covenants set out at paragraphs (a) and (c) above;
- (f) in relation to every Loan, that it, either itself or through related entities, directly or indirectly, was involved or will be involved in the original agreement which created or will create such obligation; and
- (g) it shall promptly notify the Issuer, the Placement Agents and the Portfolio Manager in writing if for any reason it:
  - (i) ceases to hold the Retained Interest in accordance with paragraph (a) above; or
  - (ii) fails to comply with the agreements and covenants (as applicable) set out in paragraphs (b), (c) or (f) above in any material way.

### Due Diligence Requirements

While the regulatory obligations of the EU Securitisation Regulation and the UK Securitisation Regulation do not directly apply to the Retention Holder or the Issuer, the Issuer shall be the designated entity for the purpose of Article 7(2) of each Securitisation Regulation, and will (a) undertake to make available to Bondholders and potential Bondholders such information as is required to be made available to such persons pursuant to Article

7(1) of the EU Securitisation Regulation and (b) undertake to use reasonable endeavours to make available to Bondholders and potential Bondholders such information as is required to be made available to such persons pursuant to Article 7(1) of the UK Securitisation Regulation (the information referred to in (a) and (b) being the “**Transparency Information**”). Neither the Issuer nor the Portfolio Manager proposes to provide reporting in the form of the FCA’s templates as part of the Transparency Information.

The Portfolio Manager shall, subject to the standard of care specified in the Portfolio Management Agreement and any confidentiality undertaking given by the Portfolio Manager or to which the Portfolio Manager is subject, co-operate with and provide to the Issuer any reports, data and other information relating to the Loans and the transaction constituted by the Transaction Documents reasonably available to the Portfolio Manager and that the Issuer may, in consultation with the Portfolio Manager, determine to be necessary in connection with the preparation of the Transparency Information. In connection with such information and reporting, the Portfolio Manager shall have the benefit of the powers, protections and indemnities granted to it under the Transaction Documents.

Subject to the terms of the Portfolio Management Agreement and the limitations set forth in the preceding paragraph, the Portfolio Manager shall make the Transparency Information available on behalf of the Issuer.

Information subject to contractual restrictions on disclosure or any national law governing the protection of confidentiality of information or the processing of personal data may be anonymised or aggregated for the purposes of the Transparency Information.

The Issuer intends that this Information Memorandum constitutes a transaction summary or overview of the main features of the transaction contemplated herein for the purposes of Article 7(1)(c) of the EU Securitisation Regulation and the UK Securitisation Regulation.

Each prospective investor in the Bonds that is subject to the Due Diligence Requirements (or to any equivalent or similar requirements) should consult with its own legal, accounting and other advisors and/or its national regulator to determine whether, and to what extent, any representations and agreements to be made under the Risk Retention Letter, and any other information set out in this Information Memorandum generally and, after the Closing Date, the Transparency Information is sufficient for the purpose of complying with the Due Diligence Requirements (or any equivalent or similar requirements). Any such prospective investor is required to independently assess and determine the sufficiency of such representations, agreements and other information.

Notwithstanding anything in this Information Memorandum to the contrary, none of the Issuer, the Retention Holder, Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents, their respective Affiliates, corporate officers or professional advisors or any other Person (i) makes any representation, warranty or guarantee that any such representations and agreements, or any such other information described in this Information Memorandum or, after the Closing Date, any Transparency Information are or is, or will be, sufficient in all circumstances for the purpose of allowing any person to comply with the Due Diligence Requirements, or any other applicable legal, regulatory or other requirements; (ii) shall have any liability to any prospective investor or any other person with respect to any insufficiency of such information or any failure of the transactions contemplated hereby to comply with or otherwise satisfy the requirements of any Due Diligence Requirements, or any other applicable legal, regulatory or other requirements; or (iii) shall have any obligation with respect to any Due Diligence Requirements, other than the specific obligations undertaken and/or representations made by the Retention Holder under the Risk Retention Letter.

## USE OF PROCEEDS

The gross proceeds from this offering are expected to be US\$88,000,000 and the gross proceeds from the issuance of the Subordinated Indebtedness are expected to be US\$12,000,000. The following table summarizes the anticipated use of the proceeds from the issuance of the Bonds and the Subordinated Indebtedness:

Use of Proceeds	US\$
Loans	
- <i>First Finance</i>	10,000,000
- <i>Ananya</i>	8,000,000
- <i>Dvara</i>	14,400,000
- <i>Kinara Capital</i>	14,400,000
- <i>Samunnati</i>	9,000,000
- <i>Satya</i>	11,400,000
- <i>Esta Dana</i>	7,000,000
- <i>Lenana</i>	12,000,000
- <i>EVN Finance</i>	10,000,000
Less: Upfront Fees paid by Borrowers .....	(936,500)
Debt Service Reserve Account .....	750,000
Hedge Access Fee .....	1,650,000
Transaction Costs and Expenses <sup>(1)</sup> .....	836,500
One-time structuring fee payable to the Portfolio Manager .....	1,500,000
<b>Total</b> .....	<b>100,000,000</b>

(1) Includes legal fees and fees payable to the Placement Agents, the Bonds Trustee and other agents.

The foregoing use of proceeds is based on our existing plans and best estimates of the allocation of the gross proceeds of the offering. Such plans and estimates may change, and we may find it necessary to reallocate the gross proceeds from what has been described above, including reallocation of the loan amounts among the Borrowers set forth above or reallocation of the loan amounts to Borrowers other than those set forth above.

Loans may only be allocated to Borrowers set forth above and any other entities as provided for in the Trust Deed. The Trust Deed will require that any such entity other than Borrowers set forth above be, *inter alia*, an entity (a) that is organized under the laws of or operating, directly or through affiliates, in Cambodia, India, Indonesia, Kenya or Vietnam; (b) that demonstrates a clear commitment to/mission of empowering women as evidenced by either (i) serving beneficiaries of whom not less than seventy percent (70%) are underserved (low-income, rural, minority, or economically disadvantaged) women; or (ii) committing to ring-fence the proceeds of the loan from the Issuer to impact beneficiaries a majority of which are women or girls; (iii) proactively targeting women beneficiaries in an industry in which women are underrepresented and thereby serves a total percentage of women beneficiaries that is higher than the industry standard; or (iv) has over 30% women ownership or representation in senior leadership positions; and (c) that meets the Portfolio Manager's credit criteria which, among other things, requires that the entity have been in operation for a minimum of three years and have generated net profit in the most recently reported fiscal year. See "*Terms and Conditions of the Bonds*".



## THE ISSUER

### Introduction

The Issuer was incorporated on October 6, 2023 under the laws of Mauritius as a private company limited by shares with company registration number 201405 GBC and has its registered office at Level 3, Alexander House, 35 Cybercity, Ebene 72201, Mauritius. As of the date of this Information Memorandum, the Issuer has a share capital of US\$100, represented by 100 ordinary shares. All the shares of the Issuer are held by the Portfolio Manager.

Since the date of the Issuer's incorporation, the Issuer has not commenced operations other than in respect of entering into transactions relating to the origination of the Loans. The Issuer will have no material assets other than the Loans and cash, including cash in the accounts that it holds.

### Corporate Purpose of the Issuer; Restrictions on Activities

The Issuer has been established as a special purpose vehicle for the purpose of the issue of the Bonds and the Subordinated Indebtedness, the investment of the net proceeds of the issuance of the Bonds and the Subordinated Indebtedness in the Loans and certain related transactions described in this Information Memorandum.

In the Trust Deed, the Issuer undertakes that, so long as any of the Bonds remains outstanding, it will not, amongst other things:

- (1) Create or have outstanding any mortgage, charge, lien, pledge or other security interest other than the security interests created under the Deed of Pledge and Charge, any lien over an asset arising by operation of law and in the ordinary course of the Issuer's business, and any lien arising out of a Permitted Hedging Agreement;
- (2) Carry on any business other than as described in this Information Memorandum;
- (3) Transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire, any of its assets, revenues or undertaking or any interest, right or benefit in respect of any of them or agree or purport to do so other than the security over the accounts created under the Deed of Pledge and Charge, and in the reasonable judgment of the Portfolio Manager, any Loan; and
- (4) Create, incur or permit to subsist any indebtedness of the Issuer, other than the Subordinated Indebtedness, or give any guarantee or indemnity in respect of indebtedness or of any other obligation of any person.

For more information about the covenants given by the Issuer, please see Condition 5.

### Licence

The issuer has obtained a Global Business Licence under the Financial Services Act of Mauritius.

### Directors and Governance

In accordance with the Issuer's constitution, for so long as any of the Bonds are outstanding, a majority of the Issuer's board of directors will consist of directors nominated by the Corporate Services Provider. Pursuant to the Letter of Engagement, dated July 4, 2023, Intercontinental Trust Ltd has been appointed as the Corporate Services Provider to provide, *inter alia*, corporate and secretarial services to the Issuer. Furthermore, pursuant to the Corporate Officer and Loan Administration Agreement dated November 8, 2023, CSCGFM Corporate Services (Singapore) Pte. Ltd. has been appointed as the Corporate Officer Provider to provide one independent nominee director to the Issuer.

As of the date of this Information Memorandum, the directors of the Issuer and their respective business addresses and business and working experience are:

Name	Business Address
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Annita Yeo Shiao Lian	30 Raffles Place #23-01 Oxley @ Raffles Singapore 048622
Dinesh Sunnoo	Level 3, Alexander House, 35 Cyberville, Ebene 72201, Mauritius
Girishwaree Jowohir	Level 3, Alexander House, 35 Cyberville, Ebene 72201, Mauritius

Annita Yeo Shiao Lian is Executive Director at CSC Global Financial Markets and is responsible for leading the trust and agency business in the Asia-Pacific region. A corporate trust specialist, she has over 17 years of experience with complex debt structures, Islamic securities, escrows, real estate investment trusts and transactions involving special purpose acquisition companies. Before joining CSC, she held senior positions in a German multinational investment bank in Singapore, Hong Kong and Malaysia where she was instrumental in developing the business, working with regulators and helping clients navigate complex cross-border capital markets transactions, debt restructurings and liability management exercises. Annita holds a Bachelor of Laws (LL.B Hons.) from the University of Leeds and is a member of the Honourable Society of Lincoln's Inn in the United Kingdom.

Dinesh Sunnoo has over five years' experience in the financial services sector. He joined Intercontinental Trust Limited ("ITL") in 2014 and is currently Senior Manager in the Fund Services Department. He manages the operations of ITL, including providing company secretarial services and advice on fund structures and regulatory matters to its clients on a day-to-day basis. Dinesh graduated from the University of Mauritius with a Bachelor of Science (BSc. Hons.) in Banking and Finance. He is also a Fellow Chartered and Certified Accountant (FCCA) and a Member of the Mauritius Institute of Professional Accountants.

Girishwaree Jowohir graduated from the University of Mauritius with a Bachelor of Science (BSc. Hons.) in Finance with Law. She is a member of the Association of Chartered Certified Accountants (ACCA) and is also a member of The Mauritius Institute of Professional Accounts (MIPA). Girishwaree has over nine years of experience in the financial services sector. She joined the Fund Administration Department of ITL in 2011. She is currently a Manager in this department, where she is involved in the day-to-day administration of funds, calculation of net asset value, and provision of investor services.

The Board of Directors may carry out any operation or transaction which it considers necessary or useful in the accomplishment and development of its corporate objects to the largest extent permitted under Mauritius law. Notwithstanding the foregoing, the Issuer's constitution provides that, for so long as any of the Bonds is outstanding, the following matters may only be undertaken with the prior approval of at least one independent director nominated by the Board:

- (1) amendment or modification of the Issuer's constitution;
- (2) commencement of any voluntary proceeding seeking liquidation, appointment of a judicial manager or receiver with respect to the Issuer;
- (3) transfer of shares by the Portfolio Manager, or the issuance of shares to any other party;
- (4) creation of security over the Issuer's assets, save in favour of the Bondholders;
- (5) the undertaking of any merger, amalgamation or reconstruction exercise; or
- (6) the removal of any independent director nominated by the Board.

### **Fiscal Year**

The first fiscal period of the Issuer commenced on its date of incorporation and will end on December 31, 2023, and thereafter each fiscal year will end on December 31 of such year.

### **Debt**

The Bonds	US\$88,000,000
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The Subordinated Indebtedness	US\$12,000,000
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### **Financial Statements**

The first annual financial statements that will be audited will be for FY 2023. The Issuer will not prepare interim financial statements.

In accordance with the laws of Mauritius, the Issuer is obligated to prepare its financial statements on an annual basis for the approval of such financial statements by the shareholders at an annual general meeting. Each annual general meeting must take place within six months of the end of each fiscal year of the Issuer, or such other period as the Registrar of Companies of Mauritius may determine, at such place as may be specified in the convening notice.

Any future annual financial statements prepared for the Issuer will be obtainable free of charge from the specified office of the Issuer and the Portfolio Manager.

### **Auditors**

The external auditors of the Issuer are Crowe ATA.

## **DESCRIPTION OF SECOND PARTY OPINION PROVIDER**

Tameo Impact Fund Solutions SA has issued second party opinions to certify the compliance of the Bonds with the International Capital Markets Association (ICMA)'s Sustainability Bond Guidelines and the Orange Bond Principles. The second party opinions covering these standards are attached in Appendix D hereto. Tameo is a Swiss-based entity that provides research and advisory services relating to impact investments serving investment funds, fund managers and investors in the financial industry. Tameo has been approved as a verifier for the Orange Bond Principles.

## OVERVIEW OF THE IMPACT ASSESSMENT FRAMEWORK

*The purpose of this section is to provide an overview of the Impact Assessment Framework that was used by the Portfolio Manager to evaluate the Borrowers. This framework is used both during the upfront social due diligence done when constructing the portfolio and will be used to facilitate ongoing reporting while the Bonds are outstanding.*

*No representation or warranty, express or implied, is made or given by the Placement Agents or any of their respective affiliates, directors, officers, employees, agents or advisers as to the accuracy, completeness or sufficiency of the information contained in this section, and nothing contained in this section is, or shall be relied upon as a promise, representation or warranty by the Placement Agents or any of their respective affiliates, directors, officers, employees, agents or advisers. To the fullest extent permitted by law, the Placement Agents and their respective affiliates, directors, officers, employees, agents and advisers do not accept any responsibility for the contents of this section and assume no responsibility for the contents, accuracy, completeness or sufficiency of any such information. Each of the Placement Agents and their respective affiliates, directors, officers, employees, agents and advisers accordingly disclaim all and any liability whether arising in tort or contract or otherwise which they might otherwise have in respect of this section or any statement herein. The Placement Agents and their respective affiliates, directors, officers, employees, agents and advisers have not independently verified any of the information contained in this section and can give no assurance that this information is accurate, truthful or complete. This section is not intended to provide the basis of any credit or other evaluation nor should it be considered as a recommendation by any of the Placement Agents or any of their respective affiliates, directors, officers, employees, agents or advisers that any recipient of this section should purchase the Bonds. For the avoidance of doubt, none of the Placement Agents are providing any legal, financial, business or tax advice in this section. It is recommended that persons proposing to subscribe for or purchase any of the Bonds consult their own legal and other advisers before subscribing for or purchasing the Bonds. In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the offering, including the merits and risks involved. See “Risk Factors” for a discussion of certain factors to be considered in connection with an investment in the Bonds.*

*The information and disclosure contained herein speaks only as of the date hereof. None of the Placement Agents or any of their respective affiliates nor any other party or governmental body has an obligation to update the information contained herein.*

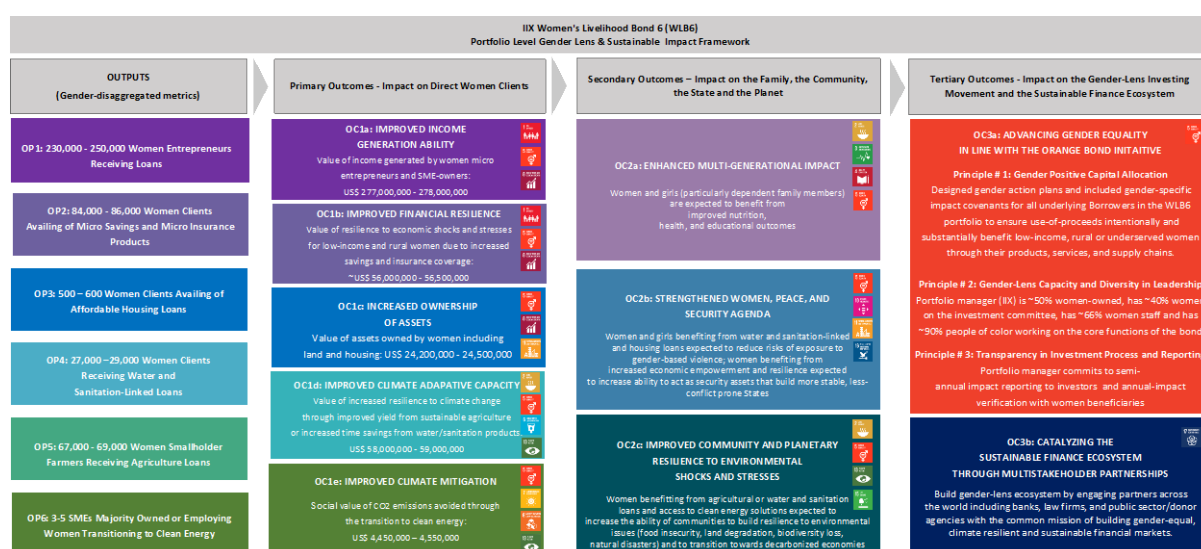
To evaluate the social performance of the Borrowers, the Portfolio Manager utilizes an impact assessment framework to (a) map out how each Borrower can achieve the expected primary, secondary and tertiary outcomes, (b) track the actual performance of the Borrower in empowering women and achieving other expected outcomes including positive environmental outcomes, and (c) identify any deviations against targeted performance. Additionally, during the upfront impact due diligence the Portfolio Manager has collected data through a combination of interviews and digital surveys from a sample size of the end beneficiaries served by each of the Borrowers; this is to help verify the impact assumptions with data collected directly from the women that will be impacted.

### **Master Framework**

The Portfolio Manager embarks on the impact measurement process via three distinct steps: (i) establishing an impact assessment framework focused on gender lens outcomes; (ii) attaching gender-specific metrics to ensure women have a voice and a value; and (iii) identifying financial proxies to project impact and link it with capital mobilized. These steps are further elucidated below:

**#1: Establishing an impact assessment framework focused on gender lens outcomes:** The figure below outlines the Portfolio Manager’s portfolio-level gender-lens and sustainable impact framework used to establish the linkages between the activities undertaken by the Borrowers and their expected social outcomes on underserved (low-income, rural, minority, or otherwise economically disadvantaged) women and girls who face gender-based discrimination. The following section describes and quantifies the key outputs and outcomes expected to be achieved in aggregate by the Borrowers utilizing the proceeds of WLB6 Loans.

## WLB6 Portfolio Level Gender-Lens and Sustainable Impact Framework



Note: Outputs and primary outputs are calculated based on direct women beneficiaries only. Secondary outcomes are calculated based on both direct and indirect female beneficiaries. Indirect beneficiaries typically include female family members.

### OUTPUTS ("OP")

The 6 key outputs are listed and explained below:

**OP 1: Number of Women Entrepreneurs Receiving Loans:** Each of the WLB6 SME Borrowers provides affordable credit to women entrepreneurs, and each of our MFIs primarily lends to women clients for "productive purposes". "Productive purposes" refers to assets that either directly generate income or facilitate the generation of income, thereby improving livelihoods. Examples of such assets include a sewing machine that expands revenue streams of a seamstress or working capital for a woman to run her small farm. The WLB6 is expected to impact approximately 230,000 – 250,000 women micro-entrepreneurs and SME-owners over the life of the Bond.

**OP 2: Number of Women Clients Availing of Micro Savings and Micro Insurance Products:** The percentage of adult females saving at a formal financial institution is 19.6% in India (as of 2017).<sup>1</sup> This is due to both supply-side barriers, such as inadequate access and a lack of savings products appropriate for rural households, and demand-side barriers, such as lack of information among potential clients and lack of trust of formal financial institutions.<sup>2</sup> Some of the WLB6 MFI Borrowers address these barriers by designing savings products that suit the needs of low-income women. Examples of micro savings products offered include mandatory savings, voluntary savings, pension savings, and fixed deposit products. Low-income households also stand to benefit significantly from micro insurance products to help them better absorb, respond to and bounce back from adverse events that negatively impact their livelihoods. For example, among rural households, illness and death of a family member are two of the top three reasons most likely to result in impoverishment.<sup>3</sup> Yet, in developing countries, insurance coverage remains as low as below 5% of the population, and insurance products available are often too expensive<sup>4</sup> or inappropriate for low-income clients.<sup>5</sup> Two of the WLB6 MFI Borrowers based in India address this unmet demand by offering affordable micro insurance products such as life insurance, health insurance and accident insurance. The WLB5 is expected to provide approximately 84,000 – 86,000 women with access to micro-savings and micro-insurance products.

**OP 3: Number of Women Clients Availing Affordable Housing Loans:** In emerging markets, women often have limited access to the capital required to purchase a house. Women in Cambodia are particularly underrepresented

<sup>1</sup> World Bank Global Findex (2017). <https://databank.worldbank.org/source/g20-financial-inclusion-indicators>

<sup>2</sup> Roa, M.J. and Di Giannatale, S. (2016). *Formal Saving in Developing Economies: Barriers, Interventions, and Effects* (working paper). IDB. [https://www.researchgate.net/publication/312577448\\_Formal\\_Saving\\_in\\_Developing\\_Economies\\_Barriers\\_Interventions\\_and\\_Effects](https://www.researchgate.net/publication/312577448_Formal_Saving_in_Developing_Economies_Barriers_Interventions_and_Effects)

<sup>3</sup> Wagstaff, A. (2008). *Cushioning the Effects of Health Shocks on Households*. World Bank. <http://documents.worldbank.org/curated/en/929951468152384480/pdf/539130BR10Wags10Box345633B01PUBLIC1.pdf>

<sup>4</sup> Bauchet, J. et al. (2011). *Latest Findings from Randomized Evaluations of Microfinance*, p.18. CGAP. <https://www.povertyactionlab.org/sites/default/files/publications/FORUM2.pdf>

<sup>5</sup> Lloyd's (2009). *Insurance in Developing Countries: Exploring Opportunities in Microinsurance*. <https://www.lloyds.com/approximately/media/lloyds/reports/360/360-other/insuranceindevelopingcountries.pdf>

as homeowners typically due to insufficient income and the limited involvement of women in household decision-making due to social and cultural norms. The Cambodia-based Borrower will use the WLB6 proceeds to provide approximately 500 - 600 women with affordable loans for home purchases and improvement purposes.

**OP 4: Number of Women Clients Receiving Water and Sanitation-Linked Loans:** In emerging markets, credit offerings for non-business purposes remain limited<sup>6</sup> and subject to high interest rates.<sup>7</sup> Three of the WLB6 MFI Borrowers address this gap by offering affordable loans designed to finance the purchase of items in high demand among their such as water, sanitation, and hygiene (“WASH”) loans. Women and girls are responsible for water collection in 8 out of 10 households with water off premises, which means reducing the population with limited drinking water services will have a strong gender impact<sup>8</sup>. The WLB6 is expected to provide approximately 27,000 – 29,000 women with access to WASH loans.

**OP 5: Number of Women Smallholder Farmers Receiving Agriculture Loans:** It is critical to ensure women smallholder farmers (who typically have lower access to capital and assets compared to their male counterparts, based on IIX’s field surveys) are equipped to fully participate in the agricultural value chain to support food security and climate adaptation efforts in emerging markets. The WLB6 will include a Kenyan and an Indian company both who will use the proceeds to offer agriculture-related loans to collectively equip approximately 67,000 – 69,000 smallholder women farmers to build their financial resilience, transition to more ecofriendly practices, and improve their ability to respond to the environmental shocks and stresses that have been accentuated by climate change.

**OP 6: Number of Women Benefiting from Clean Energy Solutions:** In emerging markets, women are disproportionately affected by climate change<sup>9</sup> yet are typically left out of solutions that facilitate the transition to net zero emissions. The WLB6 will provide a loan to a Vietnamese company to provide solar and other clean energy solutions to 3 – 5 SMEs, the majority of which will be either at least 50% women-owned or have at least 50% women in the workforce or supply chain to ensure women are proactively included in climate mitigation solutions.

## PRIMARY OUTCOMES (“OC1”)

Based on data collected during interviews with women beneficiaries during the social due diligence field visits, these 6 outputs collectively generate 5 primary outcomes: (1) improved income generation ability; (2) improved financial resilience; (3) improved productivity; (4) increased ownership of assets; and (5) improved climate action, as explained below.

**OC 1a: Improved Income Generation Ability:** Improved Income Generation Ability is mainly a result of OP1 (number of women entrepreneurs receiving loans), and partly as a result of OP5 (number of women smallholder farmers receiving loans) and OP6 (number of women benefitting from clean energy solutions). Women clients of MFIs and SME lenders are able to use their loans to cover working capital costs and to purchase income-generating assets to sustain and expand their microbusinesses.<sup>10</sup> Aside from this, access to microcredit has also been found to decrease casual wage labor and promote self-employment.<sup>11</sup> In the majority of cases, these loans enable women to increase their income generation ability in the range of 10% to 30% per annum (per interview data collected during the impact due diligence) and to stabilize their ability to generate income. Additionally, women smallholder farmers are empowered to increase their income generating ability through agricultural loans that fund the purchase of inputs and assets required to sustain or increase their yield. These sub-outcomes align to sub targets under SDG 1: No Poverty (as the majority of women will come from low-income or rural families that face multi-dimensional poverty) and SDG 8: Decent Work and Economic Growth of the United Nations Sustainable Development Goals (“SDGs”). The total value of increased income generation ability experienced by women due to the WLB6 loan proceeds is expected to be approximately US\$277,000,000 - US\$278,000,000 over the Bonds’ 4-year tenor.

<sup>6</sup> Ogden, T. (2016). *The Case for Social Investment in Microcredit*. Financial Access Initiative. <https://www.financialaccess.org/publications-index/2016/ogdenmicrocredit>

<sup>7</sup> Diaz-Martin, L. (2018). *Microcredit: Impacts and Limitations*. Jameel Poverty Action Lab. <https://www.povertyactionlab.org/policy-insight/microcredit-impacts-and-limitations>

<sup>8</sup> World Health Organization (WHO) and United Nations Children’s Fund (UNICEF), ‘Progress on Drinking Water, Sanitation, and Hygiene: 2017 update and SDG baselines’. ISBN 978-92-4-151289-3

<sup>9</sup> United Nations (2021) “Women in the Shadow of Climate Change” <https://www.un.org/en/chronicle/article/womenin-shadow-climate-change>

<sup>10</sup> Bhattacharyya, R. (2019). “Gender pay gap high in India: Men get paid Rs 242 every hour, women earn Rs less”, 7 March 2019, <https://economictimes.indiatimes.com/magazines/panache/gender-pay-gap-still-high-women-in-india-earn-19-pc-less-than-men-report/articleshow/68302223.cms>

<sup>11</sup> Cull, R. and Morduch, J. (2017). *Microfinance and Economic Development*. <https://wagner.nyu.edu/files/faculty/publications/Cull%20and%20Morduch%20-%20Microfinance%20and%20Economic%20Development.pdf>

**OC 1b: Improved Financial Resilience:** Improved Financial Resilience is a result of OP2 (number of women clients availing of micro savings and micro insurance products). Savings improve the ability of women to maintain stable livelihoods following unexpected events, such as illness and natural disasters.<sup>12</sup> Formal savings products as offered by MFIs are less risky than informal savings;<sup>13</sup> for instance, many rural women still save money in their homes which is not as secure and also tends to be used up for petty expenses as opposed to being systematically built up over time to improve financial security. Providing micro-insurance to rural households can insulate against unexpected events by ensuring women have access to a financial safety net in case of adverse events that negatively impact their health, productivity or livelihood. These sub-outcomes align to sub targets under SDG 1: No Poverty (as the majority of women will come from low-income or rural families that face multi-dimensional poverty) and SDG 10: Reduced Inequalities (given women are typically under-insured compared to their male counterparts). The total value of increased financial resilience experienced by women due to the WLB6 loan proceeds is expected to be approximately US\$56,000,000 – US\$56,500,000 over the Bonds’ 4-year tenor.

**OC 1c: Increased Ownership of Assets:** Increased ownership of assets is a result of OP3 (number of women clients receiving affordable housing loans). Ownership of assets such as land and property provide women with loan collateral and insulates them against shocks, allowing them to access more formal financial services, take more economic risks, and increase their earning potential. Owning property also increases the bargaining power of women in the household, giving them more control over economic decision-making and their own livelihoods.<sup>14</sup> This in turn reduces their dependency on men, improves women’s social status, and reduces the risk of poverty and migration.<sup>15</sup> In the long term, stable property ownership and equal ownership of assets create a sense of security among women and helps shift household and community power structures in their favor.<sup>16</sup> These outcomes advance sub-targets under SDG 8: Decent Work and Economic Growth and SDG 11: Sustainable Cities and Communities (by ensuring access for all to adequate, safe and affordable housing). The total value of increased ownership of assets experienced by women due to the WLB6 loan proceeds is expected to be approximately US\$24,200,000 – US\$24,500,000 over the Bonds’ 4-year tenor.

**OC 1d: Improved Climate Adaptive Capacity:** Improved climate adaptive capacity is a result of OP4 (number of women clients receiving water and sanitation-linked loans) and OP5 (number of women smallholder farmers receiving agricultural loans). WASH loans are particularly important in climate-stressed countries facing water scarcity issues in certain regions that disproportionately impact women from underserved (low-income, rural) communities. Depending on the region, women report saving on average between 1 to 3 hours a day due to WASH loans, based on WLB Series impact due diligence and ongoing impact reporting data. Women smallholder farmers are particularly vulnerable to climate change in countries like Kenya and India that are experiencing increased risks of drought and other climate hazards. By equipping these women with training on best practices to improve their yields, increase land and water efficiency, and protect soil and biodiversity, they are better positioned to adapt to the increased pressures of climate change while also building food security. These outcomes advance sub-targets under SDG 2: Zero Hunger, SDG 6: Clean Water and Sanitation, and SDG 8: Decent Work and Economic Growth. The total value of improved climate adaptive capacity experienced by women due to the WLB6 loan proceeds is expected to be approximately US\$58,000,000 – US\$59,000,000 over the Bonds’ 4-year tenor.

**OC 1e: Improved Climate Action:** Improved climate action is a result of OP6 (number of women benefitting from clean energy solutions), which supports climate mitigation by reducing carbon emissions by SMEs that are majority owned by women or benefiting women through their workforce or supply chains. The social cost of carbon (SC-CO<sub>2</sub>) estimates a ripple effect of benefits to clean energy users as well as the broader community and the planet; for instance, it may include an estimate of climate change damages and includes changes in net agricultural productivity, human health, property damages from increased flood risk, and changes in energy system costs, such as reduced costs for heating and increased costs for air conditioning.<sup>17</sup> The Portfolio Manager will track the ability of the women empowered by the WLB6 to go beyond being victims or bystanders in the climate change equation to becoming active agents of climate action by advancing sub-targets linked to SDG 7: Affordable and Clean Energy, SDG 9: Industry, Innovation, and Infrastructure (through transition to environmentally sound technologies), and SDG 13: Climate Action. The total value of improved climate

<sup>12</sup> DeLoach, S.B. and Smith-Lin, M. (2017). *The Role of Savings and Credit in Coping with Idiosyncratic Household Shocks*. [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3036606](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3036606)

<sup>13</sup> Wright, G. and Mutesasira, L. (2001). *The Relative Risks to the Savings of Poor People*. MicroSave. [http://www.microsave.net/files/pdf/The\\_Relative\\_Risks\\_to\\_the\\_Savings\\_of\\_Poor\\_People\\_Wright\\_et\\_al.pdf](http://www.microsave.net/files/pdf/The_Relative_Risks_to_the_Savings_of_Poor_People_Wright_et_al.pdf)

<sup>14</sup> ICRW (2005). *Property Ownership for Women Enriches, Empowers and Protects*. <https://www.icrw.org/wp-content/uploads/2016/10/Property-Ownership-for-Women-Enriches-Empowers-and-Protects-Toward-Achieving-the-Third-Millennium-Development-Goal-to-Promote-Gender-Equality-and-Empower-Women.pdf>

<sup>15</sup> ICRW (2005). *Property Ownership for Women Enriches, Empowers and Protects*. <https://www.icrw.org/wp-content/uploads/2016/10/Property-Ownership-for-Women-Enriches-Empowers-and-Protects-Toward-Achieving-the-Third-Millennium-Development-Goal-to-Promote-Gender-Equality-and-Empower-Women.pdf>

<sup>16</sup> FAO (2002). *Land Tenure and Rural Development*. <http://www.fao.org/3/a-y4307e.pdf>

<sup>17</sup> United States Environmental Protection Agency. Official website - available online: [https://19january2017snapshot.epa.gov/climatechange/social-cost-carbon\\_.html](https://19january2017snapshot.epa.gov/climatechange/social-cost-carbon_.html)



mitigation experienced by women due to the WLB6 loan proceeds is expected to be approximately US\$4,450,000 – US\$4,550,000 over the Bonds' 4-year tenor.

## SECONDARY OUTCOMES (“OC2”)

These 5 primary outcomes collectively result in 3 secondary outcomes: (1) enhanced multi-generational impact; (2) strengthened women, peace, and security (WPS) agenda; and (3) improved community and planetary resilience to environmental shocks and stresses.

**OC 2a: Enhanced Multi-Generational Impact:** When women have control over the family's income, a large portion is spent on their families, particularly on dependent children.<sup>18</sup> Improved status of women in the household and female control over family finances correlates with improved health and nutrition for their children, through pathways such as better nutrition for pregnant and nursing mothers, access to prenatal and birthing care, improved children feeding practices, and better medical treatment and immunization for children.<sup>19</sup> Women with more disposable income report an increased likelihood of ensuring their daughters attend and complete primary and secondary education; in selected cases, women beneficiaries also report using their savings to send their daughters for higher studies, thereby laying the ground to break the cycle of poverty. The Portfolio Manager will track the ability of the Borrowers financed by the WLB6 to advance sub-targets linked to SDG 2: No Hunger, SDG 3: Good Health and Well-being, and SDG 4: Quality Education.

**OC 2b: Strengthened Women, Peace, and Security (WPS) Agenda:** Women and girls from low income and rural communities are at high risk of facing incidents of gender-based violence (GBV). Increased safety is an expected secondary outcome for women benefiting from housing loans and women benefiting from water and sanitation loans.

Inadequate WASH services leave women and girls more vulnerable to GBV and ill-health, affecting their ability to study, work and live in dignity. This is particularly accentuated when women's and girls' personal safety is at risk when they have to walk to collect water or to use public washrooms that include shared facilities with men and boys<sup>20</sup>. WASH loans ensure women and girls have access to clean water at home and/or functional, lockable, and gender-segregated spaces to manage sanitation needs, particularly enabling them to manage menstrual hygiene and pregnancy-specific needs.

Women from low-income communities as well as gender and sexual minorities are among the populations most vulnerable to housing insecurity, which leads to their disproportionate exposure to gender-based violence; additionally, domestic or intimate-partner violence is often cited as one of the leading causes of housing insecurity for women<sup>21,22</sup>. Loans that provide access to safe, accessible, and affordable housing can reduce women's and girls' risk of exposure to gender-based violence.

Based on interviews conducted with women during IIX's impact due diligence, women who are economically empowered are expected to play a more catalytic role in participating in household, community-level and political decision making. This is in turn expected to improve the social fabric of the community and reduce the likelihood of inter-state conflict, as research evidences that one of the best predictors of a state's peacefulness and stability is its level of gender equality<sup>23,24</sup>. This supports the overarching goals of the WPS agenda to both prevent women from becoming victims of GBV and to empower women to act as security assets. In particular, the economic empowerment of women (supported by outcomes such as increased income and financial resilience) expand their role beyond building *national security* to advancing *human security*,<sup>25</sup> which the UN defines as “moving away

<sup>18</sup> Clinton Global Initiative (2009). *Empowering Girls & Women*. <https://www.un.org/en/ecosoc/phlntrpy/notes/clinton.pdf>

<sup>19</sup> Smith, L. et al. (2002). *The Importance of Women's Status for Child Nutrition in Developing Countries*. IFPRI. <https://tind-customer-agecon.s3.amazonaws.com/e9fa4f26-1278-4fe8-b7a7-0bbd87dcb8b2?response-content-disposition=inline%3B%20filename%2A%3DUTF-8%27%27rr030131.pdf&response-content-type=application%2Fpdf&AWSAccessKeyId=AKIAXL7W7Q3XHXDQYS&Expires=1561498333&Signature=0QkIKoV8PNjZg%2BXm7F0R8swvCvI%3D>

<sup>20</sup> UN Water. Official website - available at: <https://www.unwater.org/water-facts/water-and-gender>

<sup>21</sup> Global Impact Investing Network (GIIN). Official website - page on 'Improving Access to Housing for Women and Gender and Sexual Minorities' Available at: <https://navigatingimpact.thegiin.org/strategy/gli/improving-access-to-housing-for-women-and-gender-and-sexual-minorities/>

<sup>22</sup> National Network to End Domestic Violence, “Domestic Violence, Housing, and Homelessness,” fact sheet, 2017, <https://nnedv.org/mdocs-posts/domestic-violence-housing-and-homelessness/>.

<sup>23</sup> Valerie Hudson, et al, *The Hillary Doctrine*, (New York: Columbia University Press, 2015). p. 72

<sup>24</sup> Valerie Hudson et al. *The Heart of the Matter: The Security of Women and the Security of States*. International Security Vol. 33 No. 3. Cambridge: MIT Press. 2009. <https://doi.org/10.1162/isec.2009.33.3.7>

<sup>25</sup> Johnson-Freese, Joan. *Women, Peace and Security: An Introduction*. London and New York: Routledge. 2018.

from traditional, state-centric conceptions of security that focused primarily on the safety of states from military aggression, to one that concentrates on the security of the individuals, their protection and empowerment”.<sup>26</sup>

The Portfolio Manager will track the ability of the Borrowers financed by the WLB6 to advance sub-targets linked to SDG 10: Reduced Inequalities (linked to reduced gender-based inequalities that limit the ability for women to be a part of building safe and secure communities), SDG 11: Sustainable Cities and Communities (linked to safe housing and sanitation facilities), and SDG 16: Peace, Justice and Strong Institutions (linked to enhance peacebuilding capacity of economically empowered women).

**OC 2c: Improved Community and Planetary Resilience to Environmental Shocks and Stresses:** Women benefitting from agricultural loans are expected to increase the ability of communities to build resilience to a range of environmental issues (including but not limited to land degradation, biodiversity loss, and related risks of natural disasters) as part of the WLB6’s “do no harm” approach that supports women smallholder farmers to transition to organic and sustainable farming practices. This also builds food security for the broader communities that are at increased risk of loss of yields due to climate change-induced droughts and floods in emerging markets such as Kenya and India. Women benefitting from clean energy loans are also expected to support decarbonization efforts, recognizing climate change is a collective action problem that cannot be solved if half of humanity (women and girls) are not part of the climate-resilience solution. Related to the previous outcome on WPS, research also suggests positive correlations between gender inequality, state fragility, and climate vulnerability (particularly in the Global South), suggesting the importance of gender equality in building both community and planetary resilience to environmental issues related to climate change.<sup>27</sup>

### TERTIARY OUTCOMES (“OC3”)

The primary and secondary outcomes collectively contribute to two tertiary outcomes, namely (1) advancing the gender-lens investing movement in line with the Orange Bond Initiative<sup>TM</sup>; and (2) catalyzing the sustainable finance ecosystem, as explained below:

**OC 3a. Improved Gender Equality: Advancing the Gender-lens Investing Movement in line with the Orange Bond Initiative<sup>TM</sup> (OBI):** The WLB6 will align with the OBI’s three principles as follows:

**Principle # 1: Gender Positive Capital Allocation:** The Portfolio Manager has designed gender action plans and included gender-specific impact covenants for all nine underlying Borrowers in the WLB6 portfolio to ensure the use of proceeds intentionally and substantially benefit low-income, rural or underserved women through their products, services, and supply chains, as detailed below:

- by lending to entities whose products and services already benefit over 70% women (for companies focused on financial inclusion) or whose workforce or supply chains benefit over 50% women (for companies focused on agriculture or clean energy);
- by ring-fencing funding for women-specific projects, in the case of Borrowers that were not already actively impacting underserved women; or

The Loans seek to empower women by creating sustainable livelihoods that improve their power and agency over resources. The Loans are expected to help lay the ground for these women to be treated with greater dignity, reduce discrimination against financially excluded women and help to put women front and center of capital markets through a listed product. Furthermore, the Loans will empower women to build back better by empowering them to advance social-economic growth, combating climate change and building COVID-19 resilience in the post-pandemic era.

The issue of the Bonds is thus aligned with SDG 5 on gender equality, specifically with sub-target SDG 5.1: “ending discrimination against women” and SDG 5.A: “giving women the right to economic resources.” The Portfolio Manager estimates that the issuance of the Bonds will empower approximately 880,000 – 923,000 women and girls (including both direct and indirect beneficiaries), and further recognizes the critical role of gender equality in building back better and greener.

<sup>26</sup> United Nations Trust Fund for Human Security. ‘Human Security in Theory and Practice’, page 5, 2009

<sup>27</sup> United Nations Environment Programme, UN Women, UNDP and UNDP/PA/PSO. *Gender, Climate, and Security: Sustaining Inclusive Peace on the Frontlines of Climate Change*. 2020. Available at: <https://www.undp.org/publications/gender-climate-and-security#modal-publication-download>

**Principle # 2: Gender-Lens Capacity and Diversity in Leadership:** The Portfolio Manager demonstrates its own commitment to diversity and ability to integrate an intersectional gender-lens in investment decisions in the following ways: the company is 50% women-owned, has 40% women on the investment committee, has approximately 66% women staff working on the core functions of the Bond, and approximately 90% people of color working on the core functions of the Bond (including structuring, investor relations, portfolio construction, monitoring and reporting).

**Principle # 3: Transparency in Investment Process and Reporting** The Portfolio Manager commits to providing semi-annual impact reporting to investors by including mandatory measurement and reporting of gender-lens outcomes requirements in the loan agreements with all nine underlying Borrowers. This will increase the availability of gender-lens data at the outcome level that can be used by the Borrowers to deepen their impact, as well as by the Portfolio Manager to make better portfolio allocation decisions in the future and to provide greater transparency of impact performance to investors. Additionally, the Portfolio Manager commits to conducting an annual impact confirmation exercise to confirm the impact experience by a sample size of beneficiaries from each of the nine underlying Borrowers. The confirmation of impact is mandated to comply with the Orange Bond Principles™ as published in October 2022 and is aligned with the recommendations published by the International Capital Market Association’s “Harmonized Framework for Impact Reporting for Social Bonds” as published in June 2022.

**OC 3b. Catalyzing the Sustainable Finance Ecosystem:** The issue of the Bonds is expected to catalyze the sustainable finance ecosystem by engaging a diverse group of partners across the world including two banks ANZ, and Standard Chartered), six law firms (Shearman & Sterling, Clifford Chance, One Legal, C & A Law, TSMP Law, and Wong Partnership), and two donor agencies (the Australian Department of Foreign Affairs and Trade (DFAT), and the Swedish International Development Agency (Sida)) to unlock investment capital with the common mission of building gender-equal, green capital markets. Additionally, the Bonds are expected to help demonstrate the viability of gender-lens investing products to private sector investors and mobilize new sources of private-sector capital to accelerate the gender-lens investment movement.

*Note: Women may contribute to more than one output or experience more than one outcome (for instance, a women entrepreneur may receive a small business loan and micro-insurance coverage thereby both benefiting from increased income and improved financial resilience).*

**#2: Attaching Gender-Specific Metrics to Ensure Women have a Voice and a Value:** To aid the process of quantifying the impact and facilitating measurement, the Framework attaches gender-specific metrics for each output and outcome. All indicators will be gender-disaggregated to ensure the impact on women is isolated and identified across the impact measurement process. Additionally, indicators are determined using a participatory approach by asking the women what factors are most important to them during the upfront impact due diligence; this ensures women are given a voice across the bond development process so that the ongoing reporting focuses on empowerment factors that the women themselves consider to be valuable.

**#3. Identifying Financial Proxies to Project Impact and Link it with Capital Mobilized:** As a final step, each outcome is given a monetary proxy value to calculate the social value generated by the Borrower. Monetizing social value creation can be done in two main ways:

- **Proxies based on cost:** For instance, outcomes such as productivity are measured based on future cost avoidance or potential earning/income increase due to time saved.
- **Proxies based on value:** For instance, outcomes such as increased financial resilience are measured based on the value of savings or insurance coverage women have access to.

Monetizing the social value allows the Portfolio Manager to calculate the Social Return on Investment, or SROI. SROI is a measure of how much social and environmental impact, in dollar figures, is created for every dollar invested into the organization and/or program. The SROI of each Borrower is calculated by dividing the social and environmental value of impact created through primary outcomes by the total amount of investment capital being lent to that Borrower.

In calculating the present value of the impact, or PV, the Portfolio Manager considers the impact of enterprises across a four-year time horizon since the Loans expect to support enterprises across the same time horizon. To account for the time value of money across the next four years and accordingly represent future net impact in

today's terms, the Portfolio Manager discounts impact by the respective lending rates for each enterprise. The following formula showcases the breakdown, with 'r' equating to the lending rates, and 'n' equating to 4:

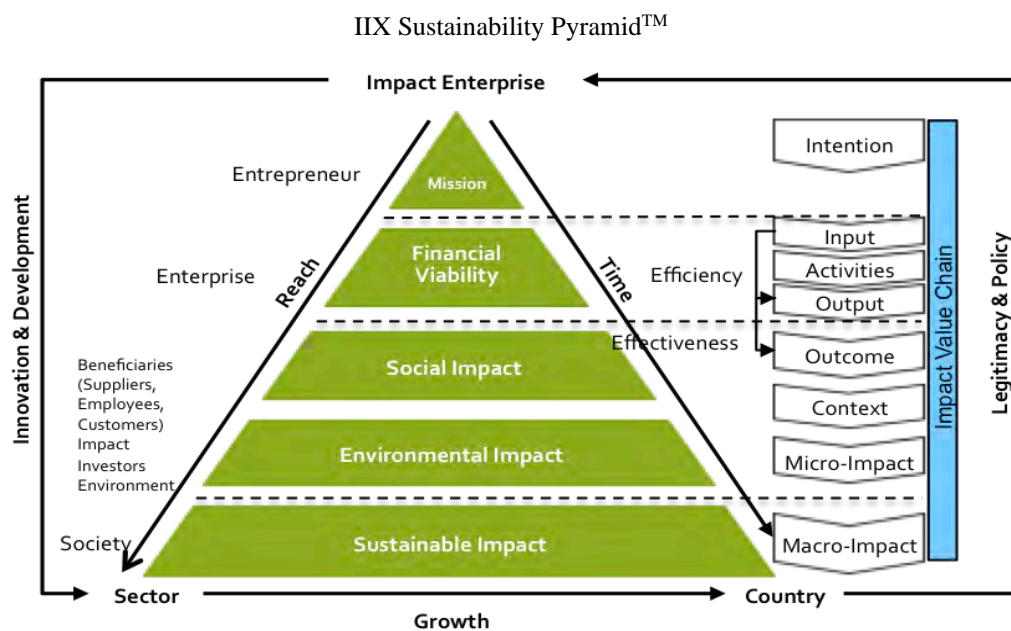
$$PV = \frac{Valueofimpact(Year1)}{(1+r)} + \frac{Valueofimpact(Year2)}{(1+r)^2} + \dots + \frac{Valueofimpact(Year'n')}{(1+r)^n}$$

At the portfolio level, the Portfolio Manager calculates a weighted SROI by considering the percentage allocation of the bond investment sum across the nine underlying Borrowers. The Portfolio Manager expects to achieve an SROI of approximately US\$4 for every US\$1 invested through the Loans and will directly impact an estimated 330,000 – 338,000 women and girls and is expected to indirectly empower an additional estimated 550,000 – 585,000 women or girls over the Bonds' four-year tenor.

### Subsequent Impact Monitoring and Reporting – IIX Values™ and the IIX Sustainability Pyramid™

The Portfolio Manager will report on the impact performance of the Borrowers twice a year. At the mid-point of each reporting year, the Portfolio Manager will monitor and provide a progress report, charting out the impact performance of the Borrowers, both as individual entities and in aggregate. At the end of the reporting year, the Portfolio Manager will produce a comprehensive evaluation of the impact performance of the Bonds and the Borrowers which will be supported by impact verification that involve interviewing and surveying a sample size of women beneficiaries supported by each of the Borrowers using IIX Values™, a digital impact assessment tool that uses mobile technology to collect and analyze impact data direct from women impacted by the Loans. IIX Values™ will ensure women continue to have a voice in the reporting process and that the risk of impact-washing is actively mitigated by providing investors with verified impact reports based upon actual results experienced by end beneficiaries.

IIX Values™ assesses various dimensions of the Borrowers' impact by utilizing the Portfolio Manager's proprietary impact assessment framework, the IIX Sustainability Pyramid™ (see figure below), which takes into consideration the organization's mission, financial viability, and positive social and environmental impact to assess its contribution toward the United Nations SDGs. The objective of the framework is to help enterprises understand their impact value chain and identify ways to deepen their impact by analyzing its relevance to the impact on beneficiaries over time. Additionally, the framework is designed to equip investors with a tool for making educated investment decisions that can lead to optimized impact generation.



The bottom-up approach of the IIX Sustainability Pyramid™ begins by considering the goal and objectives of the organizations. The mission statement offers a point of reference to examine the strategy that the organization uses to accomplish its goal and objectives. Next, the framework investigates the intricacies of the organization's business model and how its activities align with the mission of creating social and environmental outcomes. This review involves understanding the products and services provided by the organization as well as an overview of

the type of target beneficiaries it serves (e.g., women). The next step involves linking outputs (e.g., number of women served) to outcomes (e.g., value of increased income achieved over the life of the investment). All these outcomes are considered in the broader context of the enterprise's country and sector to assess key factors such as national or industry growth rate, policy, innovation or technological developments to give a holistic understanding of the ability to create sustainable impact.

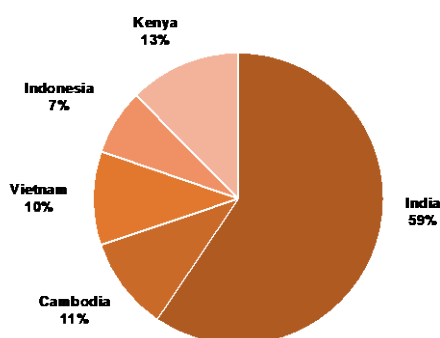
## THE BORROWERS

*Unless otherwise indicated, information contained in this Information Memorandum concerning the Borrowers or their industries is based on information provided by the Borrowers, as well as various other sources, including independent industry publications, reports, surveys and forecasts. We have not independently verified the accuracy or completeness of the information provided by the Borrowers or contained in these industry publications, reports, surveys and forecasts. Unless we state otherwise, our presentation of the Borrowers' financial condition and results of operations is based on audited financial statements provided by the Borrowers. Information is provided for FY 2020, FY 2021 and FY 2022, or in the case of Borrowers in India, FY Mar 2021, FY Mar 2022 and FY Mar 2023. The Borrowers and any publications, reports, surveys and forecasts on which information is based generally indicate that they have obtained their information from sources believed to be reliable, but do not guarantee the accuracy and completeness of their information. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. The industries in which we and the Borrowers operate are subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Risk Factors" and elsewhere in this Information Memorandum. These and other factors could cause results to differ materially from those expressed by the Borrowers or contained in these publications, reports, surveys and forecasts.*

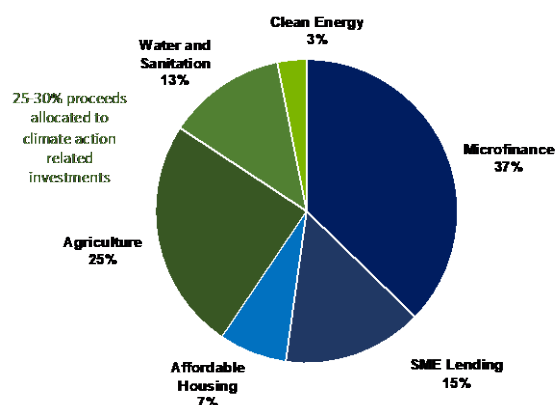
### Overview of the Borrowers

The Issuer intends to make Loans to nine Borrowers from five countries. The Borrowers operate in six sectors: MFI, SME lending, clean energy, sustainable agriculture lending, water and sanitation lending, and affordable housing lending. In aggregate, the Loans are expected to impact approximately 880,000 – 923,000 women and girls to promote sustainable livelihoods. A portion of the proceeds of the Loans, estimated at 25%-30%, are expected to empower women to advance climate action and achieve other environmental benefits through investments in sectors such as clean energy, sustainable agriculture, and water and sanitation. The maximum exposure to any single Borrower is expected to be not more than 15% of the portfolio and to any single country is expected to be less than 60% of the portfolio. Key features of the Borrowers and of the portfolio are presented below. See also "Overview of the Borrowers – Summary Information of the Borrowers" above.

**Indicative Distribution of Loans by Country**



**Indicative Distribution of Loans by Sector**



We may find it necessary to reallocate the loan amounts from what has been described below, including reallocation of the loan amounts among the Borrowers set forth below or reallocation of the loan amounts to Borrowers other than those set forth below. See "Use of Proceeds."

## ***First Finance Plc (“First Finance”)***

### **Business Overview**

First Finance, a public limited company organized in Cambodia, was established in 2008 as a joint venture among Cambodia-based First Home Plc, Singapore-based Phillip Capital, Luxembourg-based Insitor Fund, Cambodia-Laos Development Fund, and Norway-based Norfund. In 2009, First Finance obtained its license to operate from the National Bank of Cambodia (“NBC”) and became the first financial institution to specialize in housing finance in Cambodia. First Finance was acquired in July 2022 by a group of Cambodia-based senior professionals experienced in the local banking, finance and microfinance sector, all of whom had previously been members of the management of a leading microfinance institution in Cambodia. The company is focused on providing affordable housing finance to underserved low and middle-income Cambodian households who have little-to-no access to formal housing financial services as most commercial banks offer services to wealthier Cambodians. As of December 31, 2022, First Finance serves 2,179 borrowers with a net loan portfolio (“NLP”) of US\$35.26 million through its network of 10 branches covering 23 Cambodian provinces. First Finance offers loans ranging in size from US\$500 to US\$100,000 and in tenure from 12 - 120 months. First Finance caters to a diverse clientele, which includes factory workers, small business owners, and salaried professionals engaged in sectors such as textile and services.

First Finance has expanded its NLP to US\$35.26 million as of FY 2022 from US\$22.93 million as of FY 2020. First Finance has consistently generated positive operating and net profit in FY2020, FY2021 and FY 2022, even during the COVID-19 pandemic. Net profit rose from US\$89,000 in FY 2021 to US\$331,000 in FY 2022.

### **Shareholding and Governance**

First Finance’s share capital stands at US\$15 million as of December 31, 2022. Basak Investment Co, Ltd (“**Basak Investment**”) holds 99.9% of the shares, and the Deputy Chief Executive Officer of First Finance owns the remaining shares. Basak Investment was specifically established to acquire First Finance and does not engage in any other business activities or investments. Shareholders of Basak Investment include First Finance’s Chief Executive Officer who holds 40% stake, First Finance’s Deputy Chief Executive Officer and two other senior management shareholders who together hold 42%, and others including First Finance’s shareholder director who together hold 18%, each of whom not holding more than 14%. First Finance maintains a strong Capital Adequacy Ratio of 31.82% as of December 31, 2022, above the regulatory requirement of 15%. The current shareholders acquired First Finance in July 2022 with an additional capital contribution of US\$ 8.25 million and capitalization of share premium and retained earnings of US\$3.15 million taking the share capital from US\$3.6 million as of December 31, 2021 to US\$15 million as of December 31, 2022.

Member of First Finance’s Board of Directors are Sim Senacheert as the Chief Executive Officer and Chea Hang as the Deputy Chief Executive Officer, two independent directors and a shareholder director, each of whom has experience between 20 and 30 years in banking, finance and microfinance including holding senior management positions at a leading MFI in Cambodia. First Finance has three board committees: Audit Committee, Remuneration and Nomination Committee, and Risk Committee, the first two of which are chaired by independent directors. Additionally, First Finance has three management committees: the Executive Committee which focuses on implementing the Board’s vision and managing the daily operation, the Credit Committee which oversees credit risks, reviews credit policy, and oversees portfolio quality and legal compliance, and the Asset Liability Committee which maintains First Finance’s policies to protect the integrity of its balance sheet.

### **Operations, Products and Market**

First Finance has a network of 10 branches covering 23 provinces as of FY 2022, covering the northern and southern regions of Cambodia. The primary target clients include low-income clients (monthly income less than US\$300), lower-middle income clients (monthly income between US\$300-US\$700) and upper-middle income clients (monthly income above US\$700). Loan sizes range from US\$500 to US\$100,000 and tenures ranging from 12 to 120 months. First Finance offers three main products: home loans for buying or building a new home (38.3% of GLP as of 31 December 2022), residential land loans for purchasing land for home construction (25.5% as of 31 December 2022) and home improvement loans for expansion and renovation of home (20.6% as of 31 December 2022). As of December 31, 2022, 64% of First Finance’s borrower clients are women.

First Finance receives client referrals from its existing clients, village credit officers, and social media. Loans up to a certain level are approved by the branch committee; beyond this, they require higher authorization and annual

reviews. First Finance uses Morakot Core Banking platform, which has been developed locally and specifically for the Cambodian financial institutions and is connected to the database of Credit Bureau Cambodia for KYC and credit checks.

While First Finance is a financial institution with its main focus on providing affordable housing loans in Cambodia, First Finance operates in an increasingly competitive market, characterized by several MFIs which provide housing finance as one of a number of financial solutions.

### **Funding Sources and Liquidity**

First Finance has outstanding borrowings of US\$26.95 million as of FY 2022 from lenders which include foreign lenders and local banks. First Finance has solid CAR of 31.82% as of December 31, 2022, above the regulatory requirement of 15%.

### **Financial Results Commentary**

First Finance's NLP has grown by 16% from US\$30.29 million in FY 2021 to US\$35.26 million in FY 2022. Fuelled by this growth, its interest income has increased by 25% year-over-year to reach US\$4.68 million from US\$3.74 million in FY 2021. Total assets grew to US\$47.68 million in FY 2022 from US\$ 32.97 million owing to the infusion of equity which accompanied First Finance's acquisition driving higher loan portfolio and cash balance. Increase in net interest income from US\$1.93 million in FY 2021 to US\$2.76 million in FY 2022 led to an increase in the net profit from US\$0.09 million to US\$0.33 million in FY 2022.

### **Selected Financial Information**

The audited financial statements as of and for FY 2021 and 2022 have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS for SMEs, and audited by Grant Thornton (Cambodia) Ltd, which expressed an unqualified opinion on such financial statements.

The audited financial statements as of and for FY 2020 have been prepared in accordance with IFRS and IFRS for SMEs, and audited by KPMG Cambodia Ltd, which expressed an unqualified opinion on such financial statements.

The financial statements of First Finance are presented in USD, which is its primary operating and reporting currency.

**Note: The financial information below is on a standalone basis as First Finance does not have any subsidiaries.**



<b>FIRST FINANCE PLC</b>	<b>FY Dec 2020</b>	<b>FY Dec 2021</b>	<b>FY Dec 2022</b>
<b>Balance Sheet Statement (USD)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
<b>Assets</b>			
Cash and cash equivalents	2,317,780	1,950,412	10,562,199
Statutory deposits	180,102	180,102	750,000
Loans to customers - net	22,934,499	30,289,226	35,263,824
Other assets	318,811	382,979	725,969
Property and equipment	129,811	96,195	339,744
Intangible assets	73,265	41,128	8,624
Deferred tax assets - net	29,623	29,623	30,278
<b>Total Assets</b>	<b>25,983,891</b>	<b>32,969,665</b>	<b>47,680,638</b>
<b>Liabilities and Equity</b>			
Other liabilities	602,425	3,927,366	4,838,015
Current Income tax liability	21,667	40,876	112,422
Employee benefits	141,440	113,914	29,720
Borrowings	18,139,154	21,719,756	26,950,680
<b>Total Liabilities</b>	<b>18,904,686</b>	<b>25,801,912</b>	<b>31,930,837</b>
Share capital	3,602,033	3,602,033	15,000,000
Retained earnings	2,257,678	2,267,576	96,890
Regulatory reserves	340,012	418,662	652,911
Share premium	879,482	879,482	-
<b>Total Equity</b>	<b>7,079,205</b>	<b>7,167,753</b>	<b>15,749,801</b>
<b>Total Liabilities and Equity</b>	<b>25,983,891</b>	<b>32,969,665</b>	<b>47,680,638</b>

<b>FIRST FINANCE PLC</b>	<b>FY Dec 2020</b>	<b>FY Dec 2021</b>	<b>FY Dec 2022</b>
<b>Statement of Profit and Loss (USD)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
Interest Income	3,494,247	3,737,324	4,681,773
Interest Expense	(1,692,758)	(1,811,719)	(1,925,136)
<b>Net Interest Income</b>	<b>1,801,489</b>	<b>1,925,605</b>	<b>2,756,637</b>
Fee and commission income	153,996	153,706	135,981
Other income	320,084	405,853	470,075
<b>Total operating income</b>	<b>2,275,569</b>	<b>2,485,164</b>	<b>3,362,693</b>
Net impairment loss on financial assets	(201,060)	(381,673)	(448,341)
Personnel expenses	(1,129,418)	(1,171,078)	(1,337,201)
Depreciation and amortization	(114,941)	(99,909)	(126,698)
General and administrative expenses	(675,238)	(664,321)	(979,522)
<b>Profit Before Income Tax</b>	<b>154,912</b>	<b>168,183</b>	<b>470,931</b>
Income Tax Expense	(57,843)	(79,635)	(139,793)
<b>Net Profit for the year</b>	<b>97,069</b>	<b>88,548</b>	<b>331,138</b>

## ***Ananya Finance for Inclusive Growth Private Limited (“Ananya”)***

### **Business Overview**

Ananya was established in 2009. As of March 31, 2023, Ananya reported, on a standalone basis, an NLP of US\$42.48 million, serving approximately 99,000 borrowers, of which 95% of borrowers are women, with its loan product offerings focused on income generation.

### **Shareholding and Governance**

As of March 31, 2023, the three largest shareholders of Ananya are Gojo & Company Inc (“**Gojo**”) (70.37%), Stichting Capital 4 Development (23.90%), and IFIG (Indian Foundation for Inclusive Growth) (5.59%). Gojo is a Japanese impact investor with its investment focus in South-Asia and South-East Asia, primarily providing capital to financial service providers serving low-income households and businesses.

Ananya has an equity base of US\$11.89 million on a standalone basis with a CAR of about 28.20% as of March 31, 2023.

### **Operations, Products and Market**

Ananya offers both retail and wholesale loans. Ananya offers micro loans under the retail lending book primarily to women in underserved areas with an average ticket size of about US\$350. The firm also offers larger loans under the wholesale lending book with average ticket size of about US\$45,000. The firm has changed its business model over the last few years with a focus on growing its retail lending portfolio, while running down the wholesale lending book. Ananya has primarily relied on Banking Correspondent (“**BC**”) partnerships and co-lending partnerships to grow its retail lending book. BC and co-lending partners originate retail loans for Ananya.

Ananya acquired a small stake of approximately 5% in Prayas Financial Services Pvt Ltd (“**Prayas**”) in FY Mar 2021. The acquisition was undertaken in order to increase its own loan origination. As of March 31, 2023, Ananya owns about 55% in Prayas with a cumulative investment of US\$1.53 million. Prayas is a Non-Banking Financial Company – Microfinance Institution (“**NBFC-MFI**”) with operations in three states – Rajasthan, Gujarat and Madhya Pradesh. As of March 31, 2023, Prayas has 34 branches with an on-book loan portfolio of US\$2.13 million.

### **Funding Sources and Liquidity**

Ananya is primarily debt funded with its total equity equal to 19.23% of its total assets as of March 31, 2023. Its borrowings are mostly in the tenor of one to three years. The firm has about 20 lenders to support its debt capital need.

### **Financial Results Commentary**

*As the subsidiary of Ananya primarily sources clients for Ananya, while Ananya primarily provides financing to such clients, the two companies are engaged in different businesses. Given this, the Portfolio Manager believes the results of operations and financial condition of Ananya on a standalone basis are relevant to potential investors considering an investment in the Bonds, and so has provided below a discussion of Ananya’s standalone financial information.*

#### ***Standalone Basis***

Ananya reported a profit of approximately US\$0.29 million in FY Mar 2023 (FY Mar 2022: US\$0.13 million), observing a low profitability in FY Mar 2023.

Ananya has reported a growth in its loan portfolio to US\$42.48 million as of FY Mar 2023 (FY Mar 2022: US\$37.75 million) largely owing to increase in disbursement. Ananya reported an improved PAR30 of 2.41% and PAR90 of 1.97% as of March 31, 2023 (PAR30 3.52% / PAR90: 2.27% as of March 31, 2022).

*The following financial commentary is based on Ananya’s consolidated financial statements, which is being supplementally provided for reference.*

### *Consolidated Basis*

Consolidating the financial results of Prayas, Ananya reported a loan portfolio of US\$44.58 million with a PAR30 / PAR90 of 2.70% / 2.26% as of March 31, 2023. Ananya reported a consolidated profit of approximately US\$0.32 million in FY Mar 2023.

### **Selected Financial Information**

Ananya's audited financial statements (both standalone and consolidated) as of and for FY Mar 2023 were prepared in accordance with Indian Accounting Standards (IndAS) and have been audited by Manubhai & Shah LLP, which provided an unqualified opinion.

Ananya's audited financial statements as of and for FY Mar 2022 have been prepared solely on a standalone basis in accordance with the Indian Accounting Standards (IndAS), and have been audited by Manubhai & Shah LLP, which provided an unqualified opinions.

Ananya's audited financial statements as of and for FY Mar 2021 were prepared in accordance with the Indian Accounting Standards (IndAS), and have been audited by Deloitte Haskins & Sells, which provided an unqualified opinion.

Amounts in INR have been converted to USD for convenience at an exchange rate of (a) for the balance sheet, USD 1 = INR 82.15, which is the conversion rate as of March 31, 2023, and (b) for the statement of comprehensive income, USD 1 = INR 80.10, the average of the conversion rates at the beginning of FY Mar 2023 and at the end of every month during FY Mar 2023.

**Note: Both standalone and consolidated financial information are provided below.**

<b>ANANYA FINANCE FOR INCLUSIVE GROWTH PRIVATE LIMITED</b>	<b>FY Mar 2021</b>	<b>FY Mar 2022</b>	<b>FY Mar 2023</b>	<b>FY Mar 2023</b>
<b>Balance Sheet Statement (USD)</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>Standalone</b>	<b>Standalone</b>	<b>Standalone</b>	<b>Consolidated</b>
<b>Financial Assets</b>				
Cash and Cash Equivalents	1,929,337	5,369,300	13,801,619	15,286,646
Bank Balance other than above	1,376,786	1,256,056	1,788,764	1,878,344
Loans	30,506,038	37,749,203	42,482,861	44,581,023
Investments	165,697	439,671	1,838,101	304,321
Other Financial Assets	171,430	419,136	336,786	479,160
	<b>34,149,288</b>	<b>45,233,366</b>	<b>60,248,131</b>	<b>62,529,495</b>
<b>Non-Financial Assets</b>				
Current Tax Assets (Net)	929,580	1,089,799	869,604	914,327
Deferred Tax Assets (Net)	591,089	442,252	420,572	502,349
Property, Plant and Equipment	87,864	83,348	61,083	122,179
Other Intangible Assets	986	743	280	280
Goodwill	-	-	-	230,262
Intangible assets under development	29,215	39,781	39,781	39,781
Right of Use Asset	194,011	172,258	150,493	398,564
Other Non-Financial Assets	4,346	7,012	44,419	48,107
	<b>1,837,091</b>	<b>1,835,192</b>	<b>1,586,233</b>	<b>2,255,849</b>
<b>Total Assets</b>	<b>35,986,379</b>	<b>47,068,558</b>	<b>61,834,364</b>	<b>64,785,344</b>
<b>Financial Liabilities</b>				
Trade Payables				
-Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-	-	-
-Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	57,736	123,956	341,862	174,620
Lease Obligation	203,506	196,726	187,243	433,171
Debt Securities	4,625,441	4,403,153	14,712,404	15,524,334
Borrowings (Other than Debt Securities)	16,077,249	27,150,883	31,730,189	32,552,830
Other Financial Liabilities	3,574,534	3,618,454	2,817,030	2,931,795
	<b>24,538,466</b>	<b>35,493,171</b>	<b>49,788,728</b>	<b>51,616,750</b>
<b>Non-Financial Liabilities</b>				
Provisions	89,154	77,273	110,262	135,813
Other Non-Financial Liabilities	45,575	58,527	45,198	73,804
	<b>134,729</b>	<b>135,800</b>	<b>155,460</b>	<b>209,617</b>
<b>Equity</b>				
Equity Share Capital	8,037,638	8,037,638	8,037,638	8,037,638
Instruments entirely Equity in Nature	-	-	-	-
Other Equity	3,275,545	3,401,948	3,852,538	3,863,834
Minority Interest	-	-	-	1,057,505
	<b>11,313,183</b>	<b>11,439,586</b>	<b>11,890,177</b>	<b>12,958,977</b>
<b>Total Liabilities and Equity</b>	<b>35,986,379</b>	<b>47,068,558</b>	<b>61,834,364</b>	<b>64,785,344</b>

<b>ANANYA FINANCE FOR INCLUSIVE GROWTH PRIVATE LIMITED</b>	<b>FY Mar 2021</b>	<b>FY Mar2022</b>	<b>FY Mar 2023</b>	<b>FY Mar 2023</b>
<b>Income Statement (USD)</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>Standalone</b>	<b>Standalone</b>	<b>Standalone</b>	<b>Consolidated</b>
<b>Revenue from Operations</b>				
Interest Income	4,573,770	4,915,231	7,752,409	8,208,901
Fees and Commission Income	-	-	1,635	355,106
Net Gain on Fair Value Changes	5,668	36,554	19,988	19,988
Net Gain on derecognition of financial instruments under amortised cost category	-	-	-	-
<b>Total Revenue from Operations</b>	<b>4,579,438</b>	<b>4,951,785</b>	<b>7,774,032</b>	<b>8,583,995</b>
Other Income	88,652	52,896	147,628	66,205
<b>Total Income</b>	<b>4,668,090</b>	<b>5,004,682</b>	<b>7,921,660</b>	<b>8,650,200</b>
<b>Expenses</b>				
Finance Costs	2,895,119	3,088,876	5,011,011	5,216,317
Fees and Commission Expenses	-	201,273	1,099,101	612,984
Net Loss on derecognition of financial instruments under amortised cost category	2,467,765	932,871	119,426	58,327
Impairment on Financial Instruments	(87,203)	(517,628)	(54,170)	(50,724)
Employee Benefits Expenses	539,114	718,639	1,067,840	1,692,584
Depreciation, Amortization and Impairment	43,908	51,685	53,995	79,288
Other Expenses	240,749	240,612	277,615	653,159
<b>Total Expenses</b>	<b>6,099,451</b>	<b>4,716,330</b>	<b>7,574,819</b>	<b>8,261,935</b>
<b>Profit before Tax</b>	<b>(1,431,361)</b>	<b>288,352</b>	<b>346,841</b>	<b>388,265</b>
<b>Tax Expense:</b>				
Current tax	-	-	36,729	36,729
Adjustment of earlier year Tax	53,208	-	-	8,752
Deferred tax	(3,233)	159,014	(48,677)	(41,074)
MAT Credit	-	-	66,217	66,217
<b>Total Tax Expense</b>	<b>49,975</b>	<b>159,014</b>	<b>54,270</b>	<b>70,624</b>
<b>Profit For The Year</b>	<b>(1,481,336)</b>	<b>129,338</b>	<b>292,572</b>	<b>317,640</b>
<b>Other Comprehensive Income</b>				
Items that will not be reclassified to profit or loss	8,190	(24,482)	16,866	17,416
Income Tax relating to items that will be reclassified to Profit or Loss	(2,272)	6,367	(4,694)	(4,694)
<b>Other Comprehensive Income / (Loss)</b>	<b>5,918</b>	<b>(18,115)</b>	<b>12,172</b>	<b>12,722</b>
<b>Total Comprehensive Income for the Year</b>	<b>(1,475,418)</b>	<b>111,223</b>	<b>304,744</b>	<b>330,362</b>

## ***Dvara Kshetriya Gramin Financial Services Private Limited (“Dvara”)***

### **Business Overview**

Dvara was incorporated in August 2008 by Dvara Trust with a mission to ensure and maximize the financial well-being of every individual and enterprise by providing complete access to financial services in remote rural India. Dvara extends unsecured and secured loans and financial products to the rural unbanked population by setting up a network of branches in rural areas. Dvara was founded by Ms. Bindu Ananth and Mr. Nachiket Mor.

Dvara’s network has grown from 202 branches in three states in 2018 to 378 branches in 10 states in 2023. As of March 31, 2023, loans to borrowers in Tamil Nadu represented the largest proportion, geographically, of Dvara’s gross loan portfolio (“GLP”), comprising approximately 56%, followed by those in Odisha approximately 12%, and Karnataka approximately 8%, of such GLP. The NLP as of March 31, 2023 was US\$194.33 million.

### **Shareholding and Governance**

As of June 30, 2023, the five largest shareholders of Dvara are Dvara Trust (30.30%), Accion Africa-Asia Investment Company (23.04%), Leapfrog Financial Inclusion India (II) Ltd (21.74%), NMI Fund IV KS (17.82%) and Stakeboat Capital Fund-I (5.69%).

As of June 30, 2023, Dvara’s Board of Directors consists of ten members: two promoter directors, one of whom also acts as a chairman of the Board of Directors, three nominee directors, four independent directors, and a managing director and the CEO of Dvara.

### **Operations, Products and Market**

Joint Liability Group (JLG) is a lending mechanism that enables a group of individuals, which size may vary generally between four to ten individuals, to receive loans to fund their income-generating activities by forming a group wherein the members guarantee each other’s loans. JLG loans, representing approximately 83%, and microenterprise loans (“MEL”), approximately 15%, comprises the majority of Dvara’s GLP. Other types of loans that Dvara provides include jewel loans, crop loans, consumer loans, personal loans, and other loan products. WASH loans are included in the portfolio in the form of JLG loans. Dvara also provides other financial products such as insurance products and gold investment plans.

Dvara provides financial products and services to low-income households in the remote rural sector of the Indian economy. JLG loans are unsecured with a ticket size of approximately US\$426 – US\$852. They have a tenor of 24-36 months. MEL loans are unsecured loans extended to small businesses and small shop owners, and for agricultural and allied sectors (e.g., cattle traders, dairy farmers, milk vendors and grocery shops). The loan ticket size is up to approximately US\$6,086 and the tenor is 24-60 months.

Dvara acquired a 25.9% stake in Saija Finance Private Limited (“**Saija Finance**”) in 2021, which is an NBFC-MFI, with an intent to expand its business. On January 1, 2023, Dvara executed a Business Transfer Agreement with Saija Finance under which Dvara acquired the entire assets and liabilities of Saija Finance.

### **Funding Sources and Liquidity**

Dvara has around 50 borrowing relationships with a diverse set of lenders including NBFCs, banks (public as well as private), development finance institutions (“**DFIs**”) and individuals. As of March 31, 2023, the resource profile consisted of term loans (47%), Securitization borrowings (24%), non-convertible debentures (“**NCDs**”) (16%), external commercial borrowings (“**ECBs**”) (5%), commercial paper (2%) and the remaining 7% comprised demand loans and subordinated liabilities.

In order to support its assets under management (“**AUM**”) and related interest income, the company also uses business correspondents and co-lending partnerships with financial institutions such as MAS Financial, IndusInd Bank to originate new loans.

### **Financial Results Commentary**

*The following financial commentary is based on Dvara’s consolidated financial statements, which consolidate numbers for a wholly owned subsidiary, with the same primary business.*

### *Consolidated Basis*

The NLP as of March 31, 2023 was US\$194.33 million, a 58% increase from the previous year. Net income improved in FY Mar 2023 to US\$1.57 million from net loss of US\$0.35 million in FY Mar 2022 (US\$0.38 million using the FY Mar 2022 exchange rate of USD 1 = INR 74.36). This was mainly driven by post-pandemic improvement in income levels of the clients resulting in growth in portfolio and higher interest income.

Asset quality improved significantly during FY Mar 2023 driven by improved incomes of the end borrowers as well as measures taken by Dvara to improve collections. PAR30 has improved from 13.10% as of March 31, 2022 to 4.18% as of March 31, 2023. PAR90 improved from 8.24% as of March 31, 2022 to 2.73% as of March 31, 2023.

### **Selected Financial Information**

Dvara's audited standalone financial statements as of and for FY Mar 2021 and FY Mar 2022 were prepared in accordance with the Indian Accounting Standards (IndAS) and audited by BSR & Co LLP, which expressed an unqualified opinion on such financial statements.

In FY Mar 2022, Dvara acquired a 25.9% stake in Saija Finance Private Limited. Due to such acquisition, Dvara began to provide its financial statements on a consolidated basis in FY Mar 2022. The audited consolidated financial statements as of and for FY Mar 2022 and 2023 included in this Information Memorandum were prepared in accordance with Indian Accounting Standards (IndAS) and audited by PKF Sridhar & Santhanam LLP, which expressed an unqualified opinion on such financial statements.

Amounts in INR have been converted to USD for convenience at an exchange rate of (a) for the balance sheet, USD 1 = INR 82.15, which is the conversion rate as of March 31, 2023, and (b) for the statement of profit and loss, USD 1 = INR 80.10, the average of the conversion rates at the beginning of FY Mar 2023 and at the end of every month during FY Mar 2023.

**Note: Both standalone and consolidated financial information are provided below. The standalone financial information provided below is provided for supplemental reference purposes.**

<b>DVARA KSHETRIYA GRAMIN FINANCIAL SERVICES PRIVATE LIMITED</b>	<b>FY Mar 2021</b>	<b>FY Mar 2022</b>	<b>FY Mar 2022</b>	<b>FY Mar 2023</b>	<b>FY Mar 2023</b>
<b>Balance Sheet (USD)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
	<b>Standalone</b>	<b>Standalone</b>	<b>Consolidated</b>	<b>Standalone</b>	<b>Consolidated</b>
<b>ASSETS</b>					
<b>Financial Assets</b>					
Cash & cash equivalents	11,559,610	10,810,225	10,810,225	9,531,710	9,531,710
Bank balance other than cash & cash equivalents	10,209,288	7,112,988	7,112,988	11,469,434	11,469,434
Receivables	-	-	-	-	-
Trade receivables	118,515	182,337	182,337	774,559	774,559
Loans	116,827,730	122,851,333	122,851,333	194,329,276	194,329,264
Investments	462,678	674,790	674,790	91,296	91,296
Investments in associate	-	921,412	-	921,412	-
Other financial assets	2,944,419	2,562,264	2,562,264	1,202,775	1,202,775
	<b>142,122,240</b>	<b>145,115,350</b>	<b>144,193,950</b>	<b>218,320,450</b>	<b>217,399,038</b>
<b>Non Financial Assets</b>					
Investments in associate using equity method	-	-	399,647	-	98,052
Current tax assets (net)	742,715	865,685	865,685	2,024,967	2,024,967
Deferred tax assets (net)	3,614,668	3,429,556	3,539,586	2,712,538	2,909,823
Property plant & equipment	546,829	684,638	684,638	563,165	563,165
Right of use asset	1,009,008	807,486	807,486	715,119	715,119
Other intangible assets	1,185,320	1,028,180	1,028,180	2,469,763	2,469,763
Other non financial assets	1,252,319	1,422,386	1,422,386	1,744,419	1,744,443
	<b>8,350,858</b>	<b>8,237,931</b>	<b>8,747,596</b>	<b>10,229,970</b>	<b>10,525,332</b>
	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>150,473,098</b>	<b>153,353,281</b>	<b>152,941,546</b>	<b>228,550,420</b>	<b>227,924,370</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Financial Liabilities</b>					
Derivative financial instruments	281,631	358,990	358,990	23,944	23,944
Payables	-	-	-	-	-
a. Trade payables	-	-	-	-	-
(i) dues of micro enterprises and small enterprises	-	-	-	-	-
(ii) dues other than micro enterprises and small enterprises	406,086	260,816	260,816	508,691	508,691
b. Other payables	-	-	-	-	-
(i) dues of micro enterprises and small enterprises	-	-	-	-	-
(ii) dues other than micro enterprises and small enterprises	-	-	-	-	-
Debt securities	13,220,913	17,885,989	17,885,989	31,853,999	31,853,999
Borrowings (other than debt securities)	91,297,310	90,631,284	90,631,284	143,311,065	143,311,065
Subordinate liabilities	4,573,098	4,586,646	4,586,646	6,677,334	6,677,334
Other financial liabilities	3,379,318	2,482,921	2,812,684	7,140,718	7,140,706
	<b>113,158,357</b>	<b>116,206,646</b>	<b>116,536,409</b>	<b>189,515,740</b>	<b>189,515,727</b>
<b>Non financial liabilities</b>					
Current tax liabilities (net)	425,088	-	-	-	-
Provisions	577,760	200,621	200,621	564,540	564,540
Deferred tax liabilities (net)	-	-	-	-	-
Other non financial liabilities	348,521	622,812	293,049	431,089	431,138
	<b>1,351,369</b>	<b>823,433</b>	<b>493,670</b>	<b>995,630</b>	<b>995,679</b>
<b>Equity</b>					
Equity share capital	13,252,757	13,252,757	13,252,757	13,252,757	13,252,757
Other equity	22,710,615	23,070,444	22,658,710	24,786,306	24,160,219
	<b>35,963,372</b>	<b>36,323,201</b>	<b>35,911,467</b>	<b>38,039,063</b>	<b>37,412,976</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>150,473,098</b>	<b>153,353,281</b>	<b>152,941,546</b>	<b>228,550,420</b>	<b>227,924,370</b>



<b>DVARA KSHETRIYA GRAMIN FINANCIAL SERVICES PRIVATE LIMITED</b>	<b>FY Mar 2021</b>	<b>FY Mar 2022</b>	<b>FY Mar 2022</b>	<b>FY Mar 2023</b>	<b>FY Mar 2023</b>
<b>Income Statement (USD)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
	<b>Standalone</b>	<b>Standalone</b>	<b>Consolidated</b>	<b>Standalone</b>	<b>Consolidated</b>
<b>Revenue from operations</b>					
Interest income	29,333,683	33,995,194	33,995,194	44,386,030	44,386,030
Fee & commission income	24,732	24,120	24,120	153,521	153,521
Net gain on fair value changes	75,531	322,247	322,247	133,383	133,383
Income from other services	1,127,803	1,054,494	1,054,494	1,522,210	1,522,210
Bad debts recovered	14,082	303,733	303,733	1,312,509	1,312,509
<b>Total revenue from operations</b>	<b>30,575,830</b>	<b>35,699,788</b>	<b>35,699,788</b>	<b>47,507,653</b>	<b>47,507,653</b>
Other income	137,503	101,873	101,873	185,106	185,106
<b>Total income</b>	<b>30,713,333</b>	<b>35,801,660</b>	<b>35,801,660</b>	<b>47,692,759</b>	<b>47,692,759</b>
<b>Expenses</b>					
Finance costs	13,296,941	14,941,099	14,941,099	20,048,989	20,048,989
Impairment on financial instruments	6,590,961	7,499,126	7,499,126	7,287,628	7,287,628
Employee benefit expenses	7,113,358	9,034,544	9,034,544	11,425,019	11,425,019
Depreciation and amortization	840,637	800,624	800,624	1,027,715	1,027,715
Other expenses	2,795,805	3,313,421	3,313,421	5,300,936	5,300,936
<b>Total expenses</b>	<b>30,637,703</b>	<b>35,588,814</b>	<b>35,588,814</b>	<b>45,090,275</b>	<b>45,090,275</b>
<b>Profit / (loss) before share of result of associate</b>	<b>75,630</b>	<b>212,846</b>	<b>212,846</b>	<b>2,602,484</b>	<b>2,602,484</b>
Add: share of net loss of associate accounted for using equity method	-	-	(535,119)	-	(308,227)
	-	-	-	-	-
<b>Profit before tax</b>	<b>75,630</b>	<b>212,846</b>	<b>(322,272)</b>	<b>2,602,484</b>	<b>2,294,257</b>
<b>Tax expense</b>					
Current tax					
Current year	1,524,020	-	-	-	-
Pertaining to earlier years	-	(43,046)	(43,046)	-	-
Deferred tax charge / (credit)	(1,553,770)	184,694	71,848	809,413	719,925
	<b>(29,750)</b>	<b>141,648</b>	<b>28,801</b>	<b>809,413</b>	<b>719,925</b>
	-	-	-	-	-
<b>Net profit / (loss) after tax</b>	<b>105,381</b>	<b>71,199</b>	<b>(351,074)</b>	<b>1,793,071</b>	<b>1,574,332</b>
<b>Other comprehensive income</b>					
(i) Items that will not be reclassified subsequently to profit or loss					
Remeasurement gain / (loss) on defined benefit obligations	21,436	100,075	100,075	(99,750)	(99,750)
Share of other comprehensive income of associates accounted for using the equity method	-	-	599	-	(1,099)
Income tax relating to above item	(6,242)	(29,139)	(29,139)	29,051	29,051
<b>Net other comprehensive income not be reclassified subsequently to profit or loss</b>	<b>15,194</b>	<b>70,936</b>	<b>71,536</b>	<b>(70,699)</b>	<b>(71,810)</b>
(ii) Items that will be reclassified subsequently to profit or loss					
Hedge reserve account (net)	(188,964)	74,632	74,632	(154,519)	(154,519)
Income tax relating to above item	55,031	(21,735)	(21,735)	44,994	44,994
<b>Net other comprehensive income be reclassified subsequently to profit or loss</b>	<b>(133,933)</b>	<b>52,896</b>	<b>52,896</b>	<b>(109,526)</b>	<b>(109,526)</b>
<b>Other comprehensive income / (loss)</b>	<b>(118,739)</b>	<b>123,833</b>	<b>124,432</b>	<b>(180,225)</b>	<b>(181,336)</b>
<b>Total comprehensive income / (loss) for the period / year</b>	<b>(13,358)</b>	<b>195,031</b>	<b>(226,642)</b>	<b>1,612,834</b>	<b>1,393,009</b>

## ***Kinara Capital Private Limited (“Kinara Capital”)***

### **Business Overview**

Kinara Capital, formerly known as Visage Holdings and Finance Private Limited, was established in 1996 and acquired in 2011 by its founder and current CEO Ms. Hardika Shah. Kinara Capital is a systemically important non-deposit taking non-banking financial company (“**NBFC-ND-SI**”) based in Bangalore, India. It provides loans to micro and small businesses with ticket sizes in the range of INR 50,000 – 40 lakh (US\$650 – US\$50,000) to micro and small businesses without land or property collateral for most loans. Its borrower customers are mainly engaged in the trading and manufacturing businesses. As of March 31, 2023, Kinara Capital has an on-book NLP of US\$196.70 million with 125 branches serving 32,987 customers across 6 states.

Kinara Capital was a borrower in the WLB3, WLB4Climate and WLB5. Kinara Capital used the proceeds from the WLB3, WLB4Climate and WLB5 Bond transactions to provide loans on preferential terms to women-owned and operated companies in the Her Vikas program, in which 100% of the end beneficiaries are women. Proceeds from the WLB6 Loan will be used for the same purpose to expand further Kinara Capital’s lending under its Her Vikas program. See “*Use of Proceeds*” and “*Risk Factors — Risks Arising from Activities of the Clients of the Borrowers*” in this Information Memorandum for additional information.

### **Shareholding and Governance**

During FY Mar 2023, Kinara Capital raised US\$53.5 million in fresh equity in two tranches. Kinara Capital received the first tranche in April 2022, amounting to US\$27.5 million, from two new investors, Nuveen Global Impact Fund India S.A.R.L (“**Nuveen**”) and Pettelaar Effectenbewaarbedrijf N.V. (“**PENV**”), through the AMP Fund, a fund managed by Triple Jump which invests in financial service providers. In September 2022, Kinara Capital received the second tranche, amounting to US\$26.1 million, from three investors: Nuveen, PENV, and British International Investment Plc (“**BII**”). As of June 30, 2023, Kinara Capital’s five largest shareholders are Nuveen (a global investment manager, 23.91%), Gaja Capital (an India-focused private equity fund, 12.79%), Gawa Capital (a Spanish-based impact investment firm, 9.66%), BII (the UK’s development finance institution, 9.58%) and PENV (9.51%).

Kinara Capital’s Board of Directors is diverse, qualified and experienced, comprising eleven members: 3 Independent Directors, 6 Nominee Directors from investor groups, as well as Kinara Capital’s Promoter Director (Hardika Shah) and Management Director and Chief Operating Officer (Thirunavukkarasu R.). Post the equity infusion in FY Mar 2023, two investor nominee directors from Nuveen and one from Triple Jump have joined the Board and one existing nominee director from the Michael and Susan Dell Foundation (“**MSDF**”) resigned from the board in September 2022 as the shareholding of MSDF fell below the threshold prescribed in the shareholding agreement for Board representation.

### **Operations, Products and Market**

Kinara Capital is a Non-Banking Financial Company (“**NBFC**”) offering loans to micro and small businesses. It is a microenterprise focused lender in India, primarily offering loans without property collateral with ticket size ranging from US\$610 to US\$50,000. Kinara Capital offers: short-term and long-term working capital loans, Micro, Small, and Medium Enterprises (MSME) business loans for asset purchases, bill discounting and other loans and financing facilities such as business development loans, lines of credit and machine refinancing. Recently, in FY Mar 2023 Kinara Capital diversified its product portfolio by introducing loan against property for its existing customers (accounting for less than 1% of the loan portfolio). As of FY Mar 2023, unsecured loans account for about 90% of its loans while secured loans make up about 10% of its loans.

According to Kinara Capital’s management team, its turnaround time of 24-48 hours for loan disbursements is a key differentiator from its competitors. Another key offering is that Kinara Capital generates leads through their in-house application “My Kinara Capital App,” which allows customers to digitally avail themselves of its facilities. Kinara Capital typically sources its customers through a feet-on-street approach, targeting industrial hubs across trading, manufacturing and services segments including businesses run by women. In August 2019, Kinara Capital launched its Her Vikas program, which offers women-owned and/or women-led businesses a discount of up to 1.0% on the processing fee with the purpose of encouraging women-owned and women-led small businesses. The Her Vikas loan portfolio has grown to US\$44.22 million as of March 31, 2023.

As of March 31, 2023, Kinara Capital had 1,548 staff, including 402 field officers, in 125 branches across six states in India. Its average annual staff turnover has been 48% over the past 5 years with the bulk of this concentrated in the field force (loan officers).

### **Funding Sources and Liquidity**

All of Kinara Capital's loans and borrowings are INR-denominated. About 60% of its balance sheet is supported by debt, more than 80% of which has a tenure of up to 50 months as of March 31, 2023. The average tenor of a loan to a borrower is thirty to sixty months. It has thirty-seven lenders, including banks, and its average cost of funds was 12.75%, as of March 31, 2023. Kinara Capital has a capital adequacy ratio ("CAR") of 36.20% as of March 2023, exceeding the regulatory requirement of 15%.

### **Financial Results Commentary**

Kinara Capital's NLP has grown from US\$120.30 million in FY Mar 2022 to US\$196.70 million in FY Mar 2023. The post-pandemic demand and resumption of economy were the main reasons for the growth in loan portfolio. Total assets grew to US\$304.89 million in FY Mar 2023 from US\$177.69 million owing to its increased loan portfolio and cash balance.

In FY Mar 2023, Kinara Capital generated net profit of US\$5.14 million, which nearly tripled from US\$1.82 million in the previous fiscal year. As a result of the increase in portfolio, Kinara Capital generated a higher interest income which contributed to achieving the higher net profit. Kinara Capital has improved its asset quality with PAR90 at 3.29% as of March 31, 2023 compared to 5.35% as of March 31, 2022.

### **Selected Financial Information**

The audited financial statements as of and for FY Mar 2021 included in this Information Memorandum have been prepared in accordance with Indian Accounting Standards (IndAS) and audited by BSR & Co. LLP, which expressed an unqualified opinion on such financial statements.

The audited financial statements as of and for FY Mar 2022 included in this Information Memorandum have been prepared in accordance with Indian Accounting Standards (IndAS) and audited by Haribhakti & Co. LLP, which expressed an unqualified opinion on such financial statements.

The audited financial statements as of and for FY Mar 2023 included in this Information Memorandum have been prepared in accordance with Indian Accounting Standards (IndAS) and audited by Nangia & Co. LLP, which expressed an unqualified opinion on such financial statements.

Amounts in INR have been converted to USD for convenience at an exchange rate of (a) for the balance sheet, USD 1 = INR 82.15, which is the conversion rate as of March 31, 2023, and (b) for the statement of profit and loss, USD 1 = INR 80.10, the average of the conversion rates at the beginning of FY Mar 2023 and at the end of every month during FY Mar 2023.

**Note: The financial information below is on a standalone basis as Kinara Capital does not have any subsidiaries.**

<b>KINARA CAPITAL PRIVATE LIMITED</b>	<b>FY Mar 2021</b>	<b>FY Mar 2022</b>	<b>FY Mar 2023</b>
<b>Balance Sheet (USD)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash & cash equivalents	23,213,585	38,064,212	64,154,084
Bank balance other than cash equivalents	1,522,520	1,690,578	10,853,037
Derivative financial instruments	-	-	104,967
Loans	103,404,589	120,298,442	196,699,160
Investments	124,638	132,088	140,146
Other financial assets	3,185,721	11,265,892	25,897,675
<b>Total financial assets</b>	<b>131,451,053</b>	<b>171,451,211</b>	<b>297,849,069</b>
<b>Non-financial assets</b>			
Current tax assets (Net)	804,090	1,111,175	914,145
Deferred tax assets (Net)	840,730	282,788	-
Property, plant and equipment	731,662	478,819	472,209
Capital work-in-progress	-	-	-
Intangible assets under development	157,419	-	-
Other intangible assets	214,121	468,229	350,590
Right-of-use assets	480,572	883,664	2,830,469
Other non-financial assets	2,704,054	3,009,665	2,469,349
<b>Total non-financial assets</b>	<b>5,932,648</b>	<b>6,234,340</b>	<b>7,036,762</b>
	-	-	-
<b>TOTAL - ASSETS</b>	<b>137,383,701</b>	<b>177,685,551</b>	<b>304,885,831</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Derivative financial instruments			
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	16,372	22,921	30,712
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	145,697	177,882	254,753
Debt securities	35,620,280	72,969,738	89,836,397
Borrowings (other than debt securities)	60,558,661	59,518,393	110,201,729
Subordinated liabilities	5,887,133	5,922,666	2,694,486
Lease liabilities	547,328	1,014,534	2,932,185
Other financial liabilities	5,933,390	7,202,130	13,343,749
<b>Total financial liabilities</b>	<b>108,708,862</b>	<b>147,069,324</b>	<b>219,294,011</b>
<b>Non-financial liabilities</b>			
Current / deferred tax liabilities (net)	-	-	1,192,502
Provisions	330,895	452,648	674,437
Other non-financial liabilities	243,518	302,739	517,237
<b>Total non-financial liabilities</b>	<b>574,413</b>	<b>755,386</b>	<b>2,384,175</b>
<b>EQUITY</b>			
Equity share capital	816,616	822,848	1,557,626
Other equity	27,283,810	29,037,991	81,650,018
	<b>28,100,426</b>	<b>29,860,840</b>	<b>83,207,645</b>
	-	-	-
<b>TOTAL - LIABILITIES AND EQUITY</b>	<b>137,383,701</b>	<b>177,685,551</b>	<b>304,885,831</b>

<b>KINARA CAPITAL PRIVATE LIMITED</b>	<b>FY Mar 2021</b>	<b>FY Mar 2022</b>	<b>FY Mar 2023</b>
<b>Income Statement (USD)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
<b>Revenue from operations</b>			
Interest income	26,928,951	26,738,489	47,962,996
Fee and commission income	1,208,589	917,203	754,320
Net gain on fair value changes	923,146	7,925,680	118,390
Net gain on derecognition of financial instruments	-	-	12,510,387
<b>(I) Total revenue from operations</b>	<b>29,060,687</b>	<b>35,581,373</b>	<b>61,346,092</b>
	-	-	-
(II) Other income	397,840	531,049	31,336
<b>(III) Total income (I+II)</b>	<b>29,458,527</b>	<b>36,112,422</b>	<b>61,377,428</b>
	-	-	-
<b>Expenses</b>			
Finance costs	12,503,321	14,596,030	22,806,592
Net loss on fair value changes	-	-	-
Impairment on financial instruments	5,428,801	5,272,185	11,442,185
Employee benefits expenses	5,885,705	8,204,370	12,932,135
Depreciation, amortization and impairment	747,553	785,381	1,088,964
Other expenses	3,548,589	4,918,739	6,347,328
<b>(IV) Total expenses</b>	<b>28,113,970</b>	<b>33,776,704</b>	<b>54,617,203</b>
	-	-	-
<b>(V) Profit before tax (III-IV)</b>	<b>1,344,557</b>	<b>2,335,718</b>	<b>6,760,225</b>
	-	-	-
<b>(VI) Tax expense</b>			
(1) Current tax - Current year	108,202	-	-
- Earlier year	59,963	(87,091)	2,472
(2) Deferred tax charge (credit)	242,310	601,099	1,615,256
<b>Total tax expense</b>	<b>410,474</b>	<b>514,007</b>	<b>1,617,728</b>
	-	-	-
<b>(VII) Profit for the year</b>	<b>934,082</b>	<b>1,821,710</b>	<b>5,142,497</b>
<b>(VIII) Other Comprehensive Income</b>			
A (i) Items that will not be classified to profit or loss			
- Remeasurement of the defined benefit plans	9,014	(34,494)	(17,016)
(ii) Income tax relating to items that will not be classified to profit or loss	(2,272)	8,677	4,282
<b>Subtotal A</b>	<b>6,742</b>	<b>(25,818)</b>	<b>(12,734)</b>
B (i) Items that will be reclassified to profit or loss			
- Debt Instruments through other comprehensive income	(22,285)	(16,816)	(249,763)
- Income tax on above	5,605	4,232	62,871
- Cash Flow hedge reserve	-	(63,446)	(139,276)
- Income tax on above	-	15,968	35,056
<b>Subtotal B</b>	<b>(16,679)</b>	<b>(60,062)</b>	<b>(291,111)</b>
<b>Other Comprehensive Income (A+B)</b>	<b>(9,938)</b>	<b>(85,880)</b>	<b>(303,845)</b>
<b>(IX) Total Comprehensive Income for the year</b>	<b>924,145</b>	<b>1,735,830</b>	<b>4,838,652</b>

## ***Samunnati Financial Intermediation and Services Private Limited (“Samunnati”)***

### **Business Overview**

Incorporated in November 2014 and promoted by Mr Anil Kumar S G, Samunnati is registered as an NBFC-ND-SI and provides financial services in the agricultural value chain.

Headquartered in Chennai, Tamil Nadu, Samunnati has presence in 22 states in India. As of March 31, 2023, the five states that accounted for the largest portion of its loan portfolio were Tamil Nadu (25%), Maharashtra (24%), Karnataka (14%), Andhra Pradesh (7%) and Madhya Pradesh (5%). It has 867 active customers in the farmer producer organizations (FPOs) segment and 299 in the agricultural enterprise (“AE”) segment as of March 31, 2023. Its NLP as of March 31, 2023 was US\$127.18 million on a standalone basis.

Samunnati has the following subsidiaries: Samunnati Agro Solutions Private Limited (“**SamAgro**”) (which Samunnati holds 100% ownership), Samunnati Agri Innovations Lab Private Limited (“**SAIL**”), Samunnati Foundation (100%), Samunnati Finance Private Limited (100%), and a stepdown subsidiary, Samunnati Investment Management Services Private Limited (100%).

### **Shareholding and Governance**

As of June 30, 2023, the five largest shareholders of Samunnati are Accel India V Mauritius Ltd (18.64%), Ellevar M III (17.36%), responsibility Agriculture I, SLP (15.14%), Teachers Insurance and Annuity Association of America (10.80%) and Anil Kumar SG (9.64%).

Samunnati’s Board of Directors consists of nine members comprising one director/CEO, one full-time director, four nominee directors and three independent directors.

### **Operations, Products and Market**

Samunnati’s main business is to provide financing solutions to AEs and Farmer Producer Organisations (“**FPOs**”). The AE and FPO segments account for 60% and 24%, respectively, of Samunnati’s loan portfolio as of March 31, 2023.

### **Funding Sources and Liquidity**

Samunnati has 28 borrowing relationships with a diverse set of lenders including NBFCs, banks (public as well as private), DFIs and foreign institutions.

### **Financial Results Commentary**

*As the subsidiary of Samunnati primarily purchases and sells agricultural products, while Samunnati primarily provides financing to third parties, the two companies are engaged in different businesses. Given this, the Portfolio Manager believes the results of operations and financial condition of Samunnati on a standalone basis are relevant to potential investors considering an investment in the Bonds, and so has provided below a discussion of Samunnati’s standalone financial information.*

#### ***Standalone Basis***

On a standalone basis, the NLP as of March 31, 2023 was US\$127.18 million, declining by 16% as compared to the previous year (US\$151.93 million in FY Mar 2022). Samunnati reported a higher net loss of US\$12.27 million in FY Mar 2023 compared to a net loss of US\$8.29 million in FY Mar 2022. This was primarily due to provisioning expenses and partly because of higher interest costs.

PAR30 and PAR90 were 12% and 5.71%, respectively, as of March 31, 2023.

*The following financial commentary is based on Samunnati’s consolidated financial statements, which is being supplementally provided for reference.*

#### ***Consolidated Basis***

On a consolidated basis, interest income from NBFC business of Samunnati contributed 9% (US\$21.79 million) of consolidated income in FY Mar 2023 as against 7% (US\$20.48 million) of consolidated income in FY Mar 2022. and sales of products by SamAgro contributed 89% (US\$210.81 million) of consolidated revenues in FY Mar 2023. Samunnati reported net loss of US\$13.29 million in FY Mar 2022 which increased to US\$18.29 million in FY Mar 2023 mainly due to lower total income as well as higher finance cost, impairment expenses and other expenses.

### **Selected Financial Information**

Samunnati's audited standalone financial statements as of and for FY Mar 2021 were prepared in accordance with the Indian Accounting Standards (IndAS) and have been audited by Walker Chandio & Co LLP, which expressed an unqualified opinion on such financial statements.

Samunnati's audited standalone financial statements and consolidated financial statements as of and for FY Mar 2022 and FY Mar 2023 were prepared in accordance with the Indian Accounting Standards (IndAS) and have been audited by PKF Sridhar & Santhanam LLP, which expressed an unqualified opinion on such financial statements.

Amounts in INR have been converted to USD for convenience at an exchange rate of (a) for the balance sheet, USD 1 = INR 82.15, which is the conversion rate as of March 31, 2023, and (b) for the statement of profit and loss, USD 1 = INR 80.10, the average of the conversion rates at the beginning of FY Mar 2023 and at the end of every month during FY Mar 2023.

**Note: Both standalone and consolidated financial information are provided below.**

SAMUNNATI FINANCIAL INTERMEDIATION & SERVICES PRIVATE LIMITED		FY Mar 2021	FY Mar 2022	FY Mar 2023
Standalone Balance sheet (USD)		(Audited)	(Audited)	(Audited)
<b>ASSETS</b>				
<b>(1) Financial Assets</b>				
Cash and cash equivalents		14,093,001	12,056,969	11,391,722
Bank balances other than above		6,373,098	2,695,679	2,654,656
Loans		117,786,853	151,932,562	127,182,471
Investments		14,073,524	22,046,379	32,622,033
Other financial assets		1,355,204	995,009	394,157
<b>Total Financial Assets</b>		<b>153,681,680</b>	<b>189,726,598</b>	<b>174,245,040</b>
<b>(2) Non-Financial Assets</b>				
Current tax assets (Net)		711,138	2,141,083	3,605,965
Deferred tax assets (Net)		1,279,245	2,985,027	6,860,621
Property, Plant and Equipment		661,960	730,006	520,633
Right of use assets		136,579	150,578	165,673
Other Intangible Assets		307,121	301,400	474,254
Intangible assets under development		5,600	336,945	279,002
Other non-financial assets		341,083	458,065	380,402
<b>Total Non Financial Assets</b>		<b>3,442,727</b>	<b>7,103,104</b>	<b>12,286,549</b>
<b>Total Assets</b>		<b>157,124,407</b>	<b>196,829,702</b>	<b>186,531,589</b>
<b>LIABILITIES AND EQUITY</b>				
<b>(1) Financial Liabilities</b>				
Trade Payables				
i) total outstanding dues to micro enterprises and small enterprises		-	8,156	-
ii) total outstanding dues to creditors other than micro and small enterprises		-	553,256	278,028
		-	-	-
Debt securities		51,295,435	64,532,319	61,783,688
Borrowings (other than debt securities)		42,353,256	64,523,920	54,011,808
Other financial liabilities		546,439	1,421,424	1,556,908
<b>Total Financial Liabilities</b>		<b>94,195,131</b>	<b>131,039,075</b>	<b>117,630,432</b>
<b>(2) Non-Financial Liabilities</b>				
		-	-	-
Provisions		332,319	419,111	388,071
Other non-financial liabilities		203,895	325,380	327,328
<b>Total Non-Financial Liabilities</b>		<b>536,214</b>	<b>744,492</b>	<b>715,399</b>
<b>Equity</b>				
		-	-	-
Share Capital		240,536	248,935	258,673
Other Equity		62,152,526	64,797,200	67,927,085
<b>Total Equity</b>		<b>62,393,061</b>	<b>65,046,135</b>	<b>68,185,758</b>
<b>Total Liabilities and Equity</b>		<b>157,124,407</b>	<b>196,829,702</b>	<b>186,531,589</b>



SAMUNNATI FINANCIAL INTERMEDIATION & SERVICES PRIVATE LIMITED		FY Mar 2021	FY Mar 2022	FY Mar 2023
Standalone Income Statement (USD)		(Audited)	(Audited)	(Audited)
<b>Revenue from Operations</b>				
Interest Income	20,023,221	21,262,921	23,520,974	
Bad debts recovered	-	374,657	1,101,748	
	<b>20,023,221</b>	<b>21,637,578</b>	<b>24,622,722</b>	
Other income	910,986	1,032,834	986,142	
<b>Total Income</b>	<b>20,934,207</b>	<b>22,670,412</b>	<b>25,608,864</b>	
<b>Expenses</b>	-	-	-	
Finance cost	8,540,574	12,199,376	15,177,778	
Impairment on financial instruments	4,026,342	9,440,075	16,341,573	
Employee benefits expense	5,814,732	7,836,454	6,046,692	
Depreciation and amortisation	350,687	594,382	615,730	
Other expenses	2,167,291	2,787,391	3,623,970	
<b>Total expenses</b>	<b>20,899,625</b>	<b>32,857,678</b>	<b>41,805,743</b>	
<b>Profit / (loss) before tax</b>	34,582	(10,187,266)	(16,196,879)	
<b>Tax Expenses</b>	-	-	-	
Current tax	-	-	62,797	
Deferred tax	(11,985)	(1,870,287)	(3,977,528)	
<b>Total tax expense</b>	<b>(11,985)</b>	<b>(1,870,287)</b>	<b>(3,914,732)</b>	
<b>Profit for the Year</b>	<b>46,567</b>	<b>(8,316,979)</b>	<b>(12,282,147)</b>	
<b>Other Comprehensive Income</b>				
(i) Items that will not be reclassified to profit or loss:				
Re-measurement gains and (losses) on defined benefit plans	68,539	30,587	10,986	
(ii) Income tax relating to above	(17,228)	(4,744)	(2,747)	
<b>Other Comprehensive Income / (loss)</b>	<b>51,311</b>	<b>25,843</b>	<b>8,240</b>	
	-	-	-	
<b>Total Comprehensive Income (after tax) for the period /year</b>	<b>97,878</b>	<b>(8,291,136)</b>	<b>(12,273,908)</b>	

SAMUNNATI FINANCIAL INTERMEDIATION & SERVICES PRIVATE LIMITED		FY Mar 2021	FY Mar 2022	FY Mar 2023
Consolidated Balance Sheet (USD)		(Audited)	(Audited)	(Audited)
<b>ASSETS</b>				
(1) Financial Assets				
Cash and cash equivalents		16,462,203	14,213,634	15,185,027
Bank balances other than above		7,933,536	6,234,327	5,124,772
Trade receivables		33,106,026	42,329,884	34,654,047
Loans		112,242,970	134,652,222	123,597,200
Investments		5,550,213	2,341,692	145,100
Other financial assets		2,036,640	1,851,369	729,154
<b>Total Financial Assets</b>		<b>177,331,589</b>	<b>201,623,128</b>	<b>179,435,301</b>
(2) Non-Financial Assets				
Inventories		276,080	10,336,701	12,861,351
Current tax assets (Net)		760,925	2,304,687	4,314,668
Deferred tax assets (Net)		1,772,489	4,827,024	10,031,041
Property, Plant and Equipment		739,014	1,316,251	1,700,304
Biological Assets		-	7,791	7,182
Right of use assets		224,102	380,158	397,322
Other intangible assets		309,069	9,744,127	10,588,558
Intangible assets under development		187,219	870,359	279,002
Other non-financial assets		907,973	2,969,446	5,373,341
<b>Total Non Financial Assets</b>		<b>5,176,872</b>	<b>32,756,543</b>	<b>45,552,769</b>
				-
<b>Total Assets</b>		<b>182,508,460</b>	<b>234,379,671</b>	<b>224,988,071</b>
<b>LIABILITIES AND EQUITY</b>				
(1) Financial Liabilities				
Trade Payables				
i) total outstanding dues to micro enterprises and small enterprises		-	8,156	-
ii) total outstanding dues to creditors other than micro and small enterprises		947,535	8,489,592	3,727,450
Borrowings :				
Debt securities		51,295,435	64,453,317	61,783,688
Borrowings (other than debt securities)		65,044,431	97,593,183	96,938,284
Other financial liabilities		1,596,713	2,144,735	2,578,454
<b>Total Financial Liabilities</b>		<b>118,884,114</b>	<b>172,688,984</b>	<b>165,027,876</b>
(2) Non-Financial Liabilities				
Provisions		376,750	541,205	624,224
Other non-financial liabilities		2,215,338	2,637,736	3,583,323
<b>Total Non-Financial Liabilities</b>		<b>2,592,088</b>	<b>3,178,941</b>	<b>4,207,547</b>
<b>Equity</b>				
Share Capital		240,536	248,935	258,673
Other Equity		60,791,722	58,262,812	55,493,974
<b>Total Equity</b>		<b>61,032,258</b>	<b>58,511,747</b>	<b>55,752,648</b>
<b>Total Liabilities and Equity</b>		<b>182,508,460</b>	<b>234,379,671</b>	<b>224,988,071</b>

SAMUNNATI FINANCIAL INTERMEDIATION & SERVICES PRIVATE LIMITED		FY Mar 2021	FY Mar 2022	FY Mar 2023
Consolidated Income Statement (USD)		(Audited)	(Audited)	(Audited)
Revenue from operations				
Interest Income	19,652,934	20,477,903	21,790,387	
Sale of Products	94,475,406	264,117,228	210,809,488	
Other Operating Revenue	1,002,122	1,660,300	1,788,015	
Other income	547,815	725,094	2,787,141	
<b>Total Income</b>	<b>115,678,277</b>	<b>286,980,524</b>	<b>237,175,031</b>	
Expenses				
Finance cost	9,904,994	15,175,031	18,623,096	
Impairment on financial instruments	4,949,438	12,568,290	16,341,573	
Purchases of Stock-in-Trade	92,013,233	269,540,574	208,832,085	
Changes in Inventories of Stock-in-Trade	(192,884)	(10,550,687)	(3,633,084)	
Employee benefits expense	6,566,292	10,965,418	10,997,129	
Depreciation and amortisation	420,474	808,739	758,302	
Other expenses	3,095,256	5,041,199	8,826,342	
<b>Total expenses</b>	<b>116,756,804</b>	<b>303,548,564</b>	<b>260,745,443</b>	
<b>Profit before tax</b>	<b>(1,078,527)</b>	<b>(16,568,040)</b>	<b>(23,570,412)</b>	
Tax Expenses				
Current tax	-	-	63,670	
Deferred tax	(250,936)	(3,254,806)	(5,339,825)	
<b>Total tax expense</b>	<b>(250,936)</b>	<b>(3,254,806)</b>	<b>(5,276,155)</b>	
<b>Profit for the Year</b>	<b>(827,591)</b>	<b>(13,313,233)</b>	<b>(18,294,257)</b>	
<b>Other Comprehensive Income</b>				
(i) Items that will not be reclassified to profit or loss:				
Re-measurements of defined benefit plans	79,775	(28,464)	(11,735)	
(ii) Income tax relating to above	(20,474)	4,245	2,622	
<b>Other Comprehensive Income / (loss)</b>	<b>59,301</b>	<b>(24,220)</b>	<b>(9,114)</b>	
<b>Total Comprehensive Income (after tax) for the period /year</b>	<b>(768,290)</b>	<b>(13,289,014)</b>	<b>(18,285,144)</b>	

## **SATYA MicroCapital Limited (“Satya”)**

### **Business Overview**

Satya, established in 2017, primarily provides micro loans to women in rural and semi-rural areas. Satya is registered as an NBFC-MFI. On consolidated basis, Satya has a loan portfolio of US\$465.39 million as of March 31, 2023, with business operations in 22 states in India, serving 975,808 borrowers.

### **Shareholding and Governance**

As of December 31, 2022, Gojo is the major shareholder with a 61.07% stake on a fully diluted basis while Mr. Vivek Tiwari (CEO and promoter) holds about 29.70%. Gojo, a Japanese investor with its investment focus in South and Southeast Asia, primarily invests in financial service providers serving low-income households and businesses.

Satya’s board has four independent directors out of a total of eight directors. The board of directors has expertise in Microfinance, Banking, and Audit, among other areas.

### **Operations, Products and Market**

Satya extends micro loans with an average loan size of about US\$480 primarily through the Joint Lending Group model with a focus on income generating activities. Other products include micro business loans and WASH loans.

### **Funding Sources and Liquidity**

Satya is primarily debt funded with debt funding accounting for 78.69% of the balance sheet as of March 31, 2023. It has relationships with about 80 lenders including a mix of commercial banks, government banks and non-bank entities.

As of March 31, 2023, Satya is well capitalized with an equity base of US\$101.97 million and a risk weighted capital adequacy ratio of 19.23% (as per the regulatory definition).

### **Financial Results Commentary**

*The following financial commentary is based on Satya’s consolidated financial statements as the entire consolidated operations are representative of Satya’s primary business.*

#### *Consolidated Basis*

Satya’s loan portfolio stood at US\$465.39 million as of March 31, 2023, a significant increase from US\$281.94 million as of March 31, 2022. The PAR30 was 1.67% as of March 31, 2023.

Satya’s net profit for FY Mar 2023 increased to US\$6.63 million as compared to US\$4.06 million for FY Mar 2022. Such increase was primarily attributable to increase in interest income somewhat offset by increase in interest expense, provisioning expense, and employee benefits expense.

### **Selected Financial Information**

Satya’s consolidated financial statements for FY Mar 2023 and FY Mar 2022 have been prepared in accordance with Indian Accounting Standards (IndAS) and have been audited by S.N. Dhawan & CO LLP, which expressed an unqualified opinion on such financial statements.

Satya’s financial statements for FY Mar 2021 have been prepared in accordance with Indian Accounting Standards (IndAS) and have been audited by S.R. Batliboi & Associates LLP, which expressed an unqualified opinion on such financial statements.

Amounts in INR have been converted to USD for convenience at an exchange rate of (a) for the balance sheet, USD 1 = INR 82.15, which is the conversion rate as of March 31, 2023, and (b) for the statement of profit and

loss, USD 1 = INR 80.10, the average of the conversion rates at the beginning of FY Mar 2023 and at the end of every month during FY Mar 2023.

**Note: Both standalone and consolidated financial information are provided below. The standalone financial information provided below is provided for supplemental reference purposes.**

SATYA MICROCAPITAL LIMITED	FY Mar 2021 (Standalone)	FY Mar 2022 (Standalone)	FY Mar 2022 (Consolidated)	FY Mar 2023 (Standalone)	FY Mar 2023 (Consolidated)
Balance Sheet (USD )	Audited	Audited	Audited	Audited	Audited
<b>ASSET</b>					
Financial Assets					
Cash and cash equivalents	20,561,656	15,562,264	15,562,264	26,779,428	28,069,385
Bank balances other than cash and cash equivalents	16,687,279	39,134,388	39,134,388	25,472,307	25,472,307
Trade receivables	1,307,608	893,488	893,488	1,296,166	1,296,166
Loan portfolio	147,851,491	281,939,623	281,939,623	461,388,192	465,387,584
Investment	-	564,334	561,656	21,100,426	15,353,621
Other financial assets	2,976,019	6,941,692	6,941,692	14,912,721	14,962,508
<b>Total financial assets</b>	<b>189,384,054</b>	<b>345,035,788</b>	<b>345,033,110</b>	<b>550,949,239</b>	<b>550,541,570</b>
<b>Non-financial assets</b>					
Current tax assets (net)	357,638	562,021	562,021	1,698,478	1,721,729
Deferred tax assets (net)	878,150	784,540	784,540	-	15,703
Property, plant and equipment	921,972	1,467,559	1,467,559	1,943,396	1,953,135
Capital work-in-progress	-	-	-	7,451,248	7,451,248
Goodwill	-	-	-	-	480,097
Intangible assets	10,590	4,017	4,017	2,435	2,435
Other non-financial assets	1,671,942	3,607,912	3,607,912	4,991,601	4,996,957
<b>Total non-financial assets</b>	<b>3,840,292</b>	<b>6,426,050</b>	<b>6,426,050</b>	<b>16,087,158</b>	<b>16,621,302</b>
<b>Total Asset</b>	<b>193,224,346</b>	<b>351,461,838</b>	<b>351,459,160</b>	<b>567,036,397</b>	<b>567,162,873</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Financial liabilities</b>					
Derivative financial instruments	-	-	-	84,601	84,601
Trade payables					
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	6,452	6,452
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	594,279	1,004,139	1,004,139	1,227,511	1,259,404
Debt securities	34,709,556	64,339,136	64,339,136	126,119,172	126,119,172
Borrowings (other than debt securities)	95,497,139	198,862,568	198,862,568	306,055,630	306,055,630
Subordinated liabilities	6,990,627	14,001,582	14,001,582	14,131,345	14,131,345
Other financial liabilities	5,300,670	4,688,984	4,688,984	14,671,942	14,678,758
<b>Total financial liabilities</b>	<b>143,092,270</b>	<b>282,896,409</b>	<b>282,896,409</b>	<b>462,296,652</b>	<b>462,335,362</b>
<b>Non-financial liabilities</b>					
Provisions	307,243	445,283	445,283	844,066	850,274
Deferred tax liabilities (net)	-	-	-	595,861	595,861
Other non-financial liabilities	594,279	893,488	893,488	1,381,497	1,410,103
<b>Total non-financial liabilities</b>	<b>901,522</b>	<b>1,338,771</b>	<b>1,338,771</b>	<b>2,821,424</b>	<b>2,856,239</b>
<b>Equity</b>					
Equity share capital	5,581,254	5,972,489	5,972,489	7,220,937	7,220,937
Instruments entirely equity in nature	-	363,360	363,360	596,470	596,470
Other equity	43,649,300	60,890,809	60,888,131	94,100,913	93,976,385
<b>Equity attributable to equity holders of the holding company</b>	<b>49,230,554</b>	<b>67,226,659</b>	<b>67,223,981</b>	<b>101,918,320</b>	<b>101,793,792</b>
Non-controlling interest	-	-	-	-	177,480
<b>Total Equity</b>	<b>49,230,554</b>	<b>67,226,659</b>	<b>67,223,981</b>	<b>101,918,320</b>	<b>101,971,272</b>
<b>Total Liabilities and Equity</b>	<b>193,224,346</b>	<b>351,461,838</b>	<b>351,459,160</b>	<b>567,036,397</b>	<b>567,162,873</b>

SATYA MICROCAPITAL LIMITED	FY Mar 2021 (Standalone)	FY Mar 2022 (Standalone)	FY Mar 2022 (Consolidated)	FY Mar 2023 (Standalone)	FY Mar 2023 (Consolidated)
Income Statement (USD )	Audited	Audited	Audited	Audited	Audited
<b>Revenue from operations</b>					
Interest income	30,524,220	41,771,286	41,771,286	72,047,066	72,316,105
Fee and commission income	1,431,211	3,635,705	3,635,705	6,140,824	6,140,824
Net gain on derecognition of financials instruments under amortised cost category	1,348,439	4,576,404	4,576,404	13,041,698	13,041,698
<b>Total revenue from operations</b>	<b>33,303,870</b>	<b>49,983,396</b>	<b>49,983,396</b>	<b>91,229,588</b>	<b>91,498,627</b>
Other income	56,679	146,567	176,404	661,298	699,126
<b>Total income</b>	<b>33,360,549</b>	<b>50,129,963</b>	<b>50,159,800</b>	<b>91,890,886</b>	<b>92,197,753</b>
<b>Expenses</b>					
Finance cost	15,956,554	21,361,423	21,361,673	37,106,242	37,106,242
Net loss on fair value changes	-	-	-	86,767	86,767
Impairment on financial instruments	3,200,499	2,131,211	2,131,211	9,005,119	9,014,357
Employee benefits expenses	8,582,772	14,581,648	14,605,119	25,263,171	25,461,423
Depreciation and amortization	342,821	717,353	717,478	961,174	962,672
Other expenses	3,392,010	5,906,492	5,912,484	10,553,184	10,629,089
Contingent Provision On Standard Assets	-	-	-	-	-
<b>Total expenses</b>	<b>31,474,657</b>	<b>44,698,127</b>	<b>44,727,965</b>	<b>82,975,655</b>	<b>83,260,549</b>
Profit before share of the profit/(loss) of associates accounted for using the equity method	-	-	5,431,835	-	8,937,203
Share of net profits/(losses) of associates accounted for using the equity method	-	-	(2,747)	-	(749)
<b>Profit before tax</b>	<b>1,885,893</b>	<b>5,431,835</b>	<b>5,429,089</b>	<b>8,915,231</b>	<b>8,936,454</b>
<b>Tax expense</b>					
Current year tax	944,070	1,274,782	1,274,782	856,929	873,034
Earlier year tax	-	-	-	-	-
Deferred tax charge/(credit)	(333,708)	99,251	99,251	1,436,080	1,430,712
<b>Income-tax expense</b>	<b>610,362</b>	<b>1,374,032</b>	<b>1,374,032</b>	<b>2,293,009</b>	<b>2,303,745</b>
<b>Profit for the year</b>	<b>1,275,531</b>	<b>4,057,803</b>	<b>4,055,056</b>	<b>6,622,222</b>	<b>6,632,709</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Re-measurement gains/(losses) on defined benefit plans	(4,869)	(12,360)	(12,360)	(80,649)	(80,649)
Income tax effect	1,248	3,121	3,121	20,350	20,350
<b>Other comprehensive income</b>	<b>(3,620)</b>	<b>(9,238)</b>	<b>(9,238)</b>	<b>(60,300)</b>	<b>(60,300)</b>
<b>Total comprehensive income for the year</b>	<b>1,271,910</b>	<b>4,048,564</b>	<b>4,045,818</b>	<b>6,561,923</b>	<b>6,572,409</b>

## ***PT Esta Dana Ventura (“Esta Dana”)***

### **Business Overview**

Established in 2014, Esta Dana operates as a microfinance institution in Indonesia with a mission to offer a swift and accessible alternative to traditional bank financing, focusing on underserved segments of the population. The company has an authorization from the Financial Services Authority (“**OJK**”) and has a track record of nine years in the industry.

As of July 2023, Esta Dana operates through a network of 218 branches across West Java (80 branches), North Sulawesi, Gorontalo & Maluku (40 branches), South Sulawesi (40 branches), Banten, Jakarta (38 branches) and Lampung (20 branches). As of June 2023, Esta Dana has 305,657 borrowers, of which approximately 93.2% are women.

### **Shareholding and Governance**

As of July 31, 2023, 96.95% Esta Dana’s shares are held by Esta Kapital Investama, followed by Esta Utama Corpora at 2.05%, and the remaining 1.00% of shares by Rony Harianto, Esta Dana’s President Director.

As of July 31, 2023, Esta Dana’s Board of Commissioners consists of four members: a President Commissioner, two commissioners and an independent commissioner.

As of December 31, 2022, Esta Dana’s Board of Directors consists of three members: a President Director and two Directors.

### **Operations, Products and Market**

Esta Dana specializes in providing loans for productive purposes through two main products:

- **SME Product** – These are loans collateralized by motorcycles for micro, small and medium enterprises. As of June 2023, the SME product portfolio constituted approximately 13.5% of the total loan portfolio.
- **Micro Product** – These are Grameen model microloans extended to women members of joint liability groups engaged in productive enterprises. As of June 2023, the micro product portfolio constituted approximately 86.5% of the total loan portfolio. These loans are primarily unsecured.

### **Funding Sources and Liquidity**

As of March 2023, Esta Dana has a lender base consisting of 30 entities, which includes local private sector banks, foreign lenders and individual investors.

Top five lenders contributing to Esta Dana’s funding are Bank Sahabat Sampoerna, BPR KMI-Sindikasi, Bank J Trust, Bank Banten, and Bank MNC.

### **Financial Results Commentary**

Venture capital financing income increased from US\$19.98 million in FY 2021 to US\$30.15 million in FY 2022 driven by increase in net venture capital financing receivables from US\$33.03 million in FY 2021 to US\$51.32 million in FY 2022. As a result, net income increased from US\$0.52 million in FY 2021 to US\$1.58 million in FY 2022. Esta Dana reported total assets of US\$64.59 million and a total equity of US\$8.92 million as of FY 2022. PAR30 improved from 7.89% as of December 2021 to 3.78% as of December 2022.

### **Selected Financial Information**

Esta Dana’s audited financial statements as of and for FY 2020, FY 2021 and FY 2022 were prepared and presented in accordance with the Indonesian financial accounting standards and audited by Tanubrata Sutanto Fahmi Bambang & Rekan, a certified public accountant, which expressed an unqualified opinion on such financial statements.

Amounts in IDR have been converted to USD for convenience at an exchange rate of (a) for the balance sheet, USD 1 = IDR 15,521.10, which is the conversion rate as of December 31, 2022, and (b) for the statement of profit and loss, USD 1 = IDR 14,832.34, the average of the conversion rates at the beginning of FY 2022 and at the end of every month during FY 2022.

**Note: The financial information below is on a standalone basis as Esta Dana does not have any subsidiaries.**

<b>PT ESTA DANA VENTURA</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Balance Sheet (USD)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
<b>Assets</b>			
Cash and cash equivalents	3,552,569	3,916,156	3,734,936
Short term Investments	-	128,857	3,135,823
Venture capital financing receivables net of allowance for impairment losses	28,214,789	33,029,646	51,322,787
Impairment losses	(943,405)	(1,043,479)	(2,304,163)
Other receivables -	-	-	-
Related party	149	149,070	755,165
Third parties	1,493,104	469,151	816,017
Prepaid expenses and advances	1,248,005	1,050,203	663,796
Investment in shares -	703,887	-	-
Financial assets at fair value through profit or loss	-	1,360,512	848,112
Financial assets at fair value through other comprehensive income	-	64,428	64,428
Investment in associate	-	112,565	94,897
Fixed assets Net of accumulated depreciation	2,403,993	2,065,660	1,788,747
Right-of-use assets - Net of accumulated amortisation	147,629	385,126	412,924
Intangible assets - Net of accumulated amortisation	67,746	40,095	576,878
Deferred tax assets	40,153	274,268	58,822
Other assets	970,690	210,644	314,419
<b>Total Assets</b>	<b>38,842,714</b>	<b>43,256,384</b>	<b>64,587,753</b>
<b>Liabilities</b>			
Bank Loans	16,690,989	-	-
Related parties	-	185,231	324,499
Third Parties	-	26,349,543	40,381,888
Loans from other financial institutions	-	-	1,610,711
Other Payables	-	-	-
Related parties	114,228	95,585	41,878
Third Parties	14,489,066	8,372,941	10,108,887
Accrued expenses	211,805	234,215	2,249,456
Taxes payable	68,918	59,851	586,154
Lease liabilities	26,884	231,088	66,595
Finance lease liability	23,046	13,141	7,775
Post-employment benefits liabilities	294,398	298,345	288,102
<b>Total Liabilities</b>	<b>31,919,334</b>	<b>35,839,940</b>	<b>55,665,944</b>
<b>Equity</b>			
Share capital	3,930,134	3,930,134	3,930,134
Other equity components	3,416	44,309	29,480
Retained earnings	2,989,830	3,442,001	4,962,195
<b>Total Equity</b>	<b>6,923,380</b>	<b>7,416,444</b>	<b>8,921,810</b>
<b>Total Liabilities and Equity</b>	<b>38,842,714</b>	<b>43,256,384</b>	<b>64,587,753</b>



<b>PT ESTA DANA VENTURA</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Profit &amp; Loss Statement (USD)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
<b>Revenues</b>			
Venture capital financing income	21,368,571	19,981,796	30,156,507
Provisions and administration revenue	2,077,521	1,388,576	1,083,279
<b>Total Revenues</b>	<b>23,446,092</b>	<b>21,370,372</b>	<b>31,239,786</b>
<b>Operating Expenses</b>			
Salaries and benefits expenses	(11,341,871)	(10,394,144)	(11,268,985)
General and administrative expenses	(6,486,602)	(6,475,647)	(10,715,469)
<b>Total operating expenses</b>	<b>(17,828,474)</b>	<b>(16,869,791)</b>	<b>(21,984,453)</b>
<b>Profit from Operations</b>	<b>5,617,619</b>	<b>4,500,581</b>	<b>9,255,333</b>
<b>Other Operating Income (Expense)</b>			
Finance income	149,281	103,103	83,223
Finance costs	(4,735,511)	(4,664,375)	(5,607,523)
Other operating income/expenses - Net	(505,674)	428,557	(1,218,309)
<b>Profit before Tax</b>	<b>525,715</b>	<b>367,865</b>	<b>2,512,723</b>
Income tax benefit/expense	(178,567)	105,303	(921,937)
<b>Profit for the Year</b>	<b>347,148</b>	<b>473,168</b>	<b>1,590,786</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss -	-	-	-
Share of other comprehensive income (loss) of associates	(55)	23	(96)
Remeasurement of defined benefit liabilities	640	54,827	(19,770)
Related Income Tax	-	(12,063)	4,349
<b>Other Total Comprehensive Income/ Loss, Net of Tax -</b>	<b>585</b>	<b>42,787</b>	<b>(15,517)</b>
	-	-	-
<b>Total Comprehensive Income/ Loss for the Year</b>	<b>347,733</b>	<b>515,955</b>	<b>1,575,269</b>

## ***Lenana Innovative Solutions Limited (“Lenana”)***

### **Business Overview**

Lenana was established in 2014 as a non-deposit taking MFI in Nairobi, Kenya. It primarily provides unsecured loans with an average loan size of approximately US\$920 to smallholder farmers. Its borrowers are mainly engaged in one of three agricultural-value chains: tea, maize or dairy. In FY 2023, they have expanded their operations to the Macadamia value chain. As of December 31, 2022, Lenana reported a loan portfolio of US\$25.42 million, with 43 staff members, serving 28,544 borrowers, of which 22,613 are women (approximately 79%).

### **Shareholding and Governance**

100% of Lenana’s share capital is held by its three founders, Eric Wachira (CEO, holding 33.4%), Joseph Kuria (CFO, holding 33.3%) and Wilfred Kamau (Business Development & Investor Relationships Head, holding 33.3%). The last round of equity infusion was in FY 2021, when the three promoters infused US\$1.69 million.

### **Operations, Products and Market**

Lenana offers four main products: working capital loans to farmers, term loans to farmers with tenors ranging from six to twelve months, working capital loans to buyers of farm produce, and payment processing solutions.

Lenana’s unique approach to serving the agricultural segment includes its collateral free loans to smallholder farmers, its digital loan disbursements and collections, as well as its arrangements with farm produce buyers (off-takers). These off-takers refer potential smallholder farmer clients to Lenana and, with the agreement of the farmers, withhold loan payments due to Lenana from the amounts payable to farmers for their produce, paying these amounts directly to Lenana.

### **Funding Sources and Liquidity**

Lenana is primarily equity funded, with its total equity amounting to 66% of its total assets, as of December 31, 2022. Its borrowings are in the tenor of four to six years, while the loans extended are up to a maximum tenor of one year. WLB5 is the only institutional lender to Lenana (others are individual lenders).

### **Financial Results Commentary**

In FY 2022, Lenana reported a net profit of US\$3.65 million, as compared to US\$2.99 million in FY 2021. This was primarily attributable to an increase in interest income and a reduction of interest expense in FY 2022, partially offset by increases in administrative expenses and taxation.

Portfolio quality has remained relatively stable at modest levels, with PAR30 and PAR90 reported at 2.06% and 0.50%, respectively, as of December 31, 2022.

Lenana recorded growth in their loan portfolio from US\$23.60 million as of December 31, 2021 to US\$25.42 million as of December 31, 2022, primarily attributable to an increase in their borrower base. The number of borrowers increased to 28,544 as of December 31, 2022 from 21,976 as of December 31, 2021.

### **Selected Financial Information**

Lenana’s audited financial statements as of and for FY 2022, FY 2021, FY 2020 were prepared in accordance with IFRS-SME and audited by Wamutu & Associates, which expressed an unqualified opinion on such financial statements.

Amounts in KES have been converted to USD for convenience at an exchange rate of (a) for the balance sheet, USD 1 = KES 123.50, which is the conversion rate as of December 31, 2022, and (b) for the statement of comprehensive income, USD 1 = KES 117.96, the average of the conversion rates at the beginning of FY 2022 and at the end of every month during FY 2022.

**Note: The financial information below is on a standalone basis as Lenana does not have any subsidiaries.**

<b>LENANA INNOVATIVE SOLUTIONS LIMITED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Balance Sheet (USD)</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
<b>Current Assets</b>			
Cash and Balances due from Commercial Banks	4,485	159,873	5,301,562
Accrued WLB5 Interest	-	-	14,615
Net Loans and Advances to Customers	21,264,777	23,601,514	25,421,404
<b>Non-Current Assets</b>			
Property, Plant and Equipments	198,394	198,941	172,154
Intangible Assets	576,616	614,432	509,313
<b>Total Assets</b>	<b>22,044,273</b>	<b>24,574,760</b>	<b>31,419,048</b>
<b>Current Liabilities</b>			
Accrued WLB5 Interest	-	-	14,615
Current Borrowings	4,171,824	-	-
Individual Lenders	-	2,711,510	2,661,588
Trade Payables	548,993	855,812	1,000,067
<b>Non-Current Borrowings</b>			
Individual Lenders	4,608,812	3,744,029	2,013,663
WLB5 Impact Bond Principal	-	-	4,983,806
<b>Total Liabilities</b>	<b>9,329,630</b>	<b>7,311,351</b>	<b>10,673,738</b>
Share capital	810	810	810
Retained Earnings	8,908,166	11,768,672	15,250,573
Shareholder's Equity Investment	3,805,668	5,493,927	5,493,927
<b>Total Equity</b>	<b>12,714,643</b>	<b>17,263,409</b>	<b>20,745,310</b>
<b>Total Liabilities and Reserves</b>	<b>22,044,273</b>	<b>24,574,760</b>	<b>31,419,048</b>

<b>LENANA INNOVATIVE SOLUTIONS LIMITED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Income Statement (USD)</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
Interest Income	6,873,368	6,959,864	7,721,523
Transaction Fees and income	781,378	846,781	881,544
<b>Gross Income</b>	<b>7,654,746</b>	<b>7,806,645</b>	<b>8,603,067</b>
Interest Expense	(1,657,044)	(1,365,246)	(1,010,929)
Transaction Related Fees And Commissions	(561,912)	(594,968)	(610,793)
<b>Net Income</b>	<b>5,435,790</b>	<b>5,846,431</b>	<b>6,981,345</b>
Administrative Expenses	(1,622,682)	(1,292,706)	(1,508,755)
Impairment Losses on Loan & Advances	(159,093)	(53,251)	(83,022)
<b>Net Ordinary Income</b>	<b>3,654,015</b>	<b>4,500,474</b>	<b>5,389,568</b>
Depreciation	(58,918)	(61,294)	(48,505)
Amortization	(150,924)	(160,822)	(133,308)
<b>Profit before Taxation</b>	<b>3,444,172</b>	<b>4,278,358</b>	<b>5,207,755</b>
Taxation	(861,043)	(1,283,507)	(1,562,327)
<b>Profit for the period</b>	<b>2,583,129</b>	<b>2,994,851</b>	<b>3,645,429</b>
<b>Comprehensive Income for the Period</b>	<b>2,583,129</b>	<b>2,994,851</b>	<b>3,645,429</b>

### ***EVN Finance Joint Stock Company (“EVN Finance”)***

EVN Finance, a joint stock company, was established in 2008 in Vietnam as a financial institution. EVN Finance, was established for capital mobilization and fund management for power projects under Vietnam Electricity (“EVN”) and EVN’s subsidiaries. Since then, EVN Finance has expanded to offer financial services to other businesses and individuals.

EVN Finance’s key business activities include lending and investment activities (extending loans to businesses, including to SMEs for solar projects, extending microfinance loans, and investing in debt and equity securities), accepting deposits (from corporates and financial institutions) and financial services (management of entrusted funds.)

EVN Finance serves its customers through its headquarters in Ha Noi located in North Vietnam, and two branches at Da Nang in Central region and Ho Chi Minh in South Vietnam as well as through its business partners including, but not limited to, Vietnam Post, telecom service provider. As of December 31, 2022, EVN Finance has 455 staff members, serving 237,132 borrowers, of which 106,358 are women, representing 44.85%. Of such borrowers, 235,769 borrowers are microfinance customers while 103 are SMEs borrowers who have availed loans for solar projects. WLB6 proceeds will be utilized primarily to augment EVN Finance’s microfinance portfolio and SME solar project financing portfolio. As of December 31, 2022, EVN Finance reported a loan portfolio of US\$1.02 billion. EVN Finance’s microfinance loan portfolio and loan portfolio to SMEs for solar project financing stood at US\$97.72 million and US\$51.29 million, respectively, as of December 31, 2022.

### **Shareholding and Governance**

EVN Finance’s shares are listed on the Ho Chi Minh Stock Exchange. As of June 30, 2023, its shareholders include An Binh Commercial Joint Stock Bank (a commercial bank in Vietnam holding 2.32%), and other shareholders holding 97.68%.

EVN Finance has three level structure to instill governance. The Board of Directors manages strategy, the Board of Supervisors ensures compliance and governance, and the Board of Management manages daily operations and strategy implementation. EVN Finance’s six-member Board of Directors is qualified and experienced comprising the Chairman, Chief Executive Officer, two independent directors and two shareholder nominee directors. There are two board committees: Risk Committee and HR committee which report to the Board of Directors.

### **Operations, Products and Market**

EVN Finance’s product offering primarily includes loans to corporates including SMEs and loan to EVN and its subsidiaries (with tenor ranging up to 25 years), loans to microfinance customers (tenor ranging up to 12 months), deposit mobilization (from corporates and credit institutions) and other financial services such as management of entrusted funds.

EVN Finance’s approach to delivering microfinance includes collateral free loans, digital loan disbursements and collections, data driven underwriting. EVN Finance has fostered partnerships with Vietnam Post, e-wallet and telecom service providers to reach to the end customers. These partnerships allow EVN Finance to reach a broad range of customers without having to invest heavily in physical infrastructure. On the other hand, EVN Finance funds SMEs for solar project leveraging EVN’s network of entities in power generation and transmission.

### **Funding Sources and Liquidity**

EVN Finance mobilizes capital from a mix of borrowings and deposits (including certificate of deposits) from corporates and financial institution. As of December 31, 2022, EVN Finance has an outstanding debt of about US\$1.56 billion, which includes borrowings and deposits, accounting for approximately 87% of its balance sheet as of such date.

EVN Finance issued its first Green Bond in Vietnam in 2022, partially guaranteed by GuarantCo<sup>28</sup>.

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<sup>28</sup> Guarantco is part of Private Infrastructure Development Group (PIDG) and is funded by the governments of the United Kingdom, Switzerland, Australia and Sweden (through the PIDG Trust), the Netherlands (through FMO and the PIDG Trust), France (through a stand-by facility) and Global Affairs Canada through a repayable facility.

EVN Finance has a capital adequacy ratio of 11.5% as of December 31, 2022, above the regulatory requirement of 9%.

### **Financial Results Commentary**

In FY 2022, EVN Finance reported a net profit of US\$15.49 million, as compared to US\$14.00 million in FY 2021. The increase in net profit was primarily attributable to a higher net interest income, income from disposal of investment in other entities coupled with reduced provisioning expenses for credit losses which was partially offset by an increase in the operating expenses and losses in investment securities.

Portfolio quality has remained relatively stable, with PAR90 reported at 2.22% and 2.59%, as of December 31, 2022 and December 31, 2021 respectively.

EVN Finance recorded growth in its loan portfolio from US\$704.58 million as of December 31, 2021 to US\$1.02 billion as of December 31, 2022, primarily attributable to an increase in their lending portfolio to corporates.

### **Selected Financial Information**

EVN Finance's audited financial statements as of and for FY 2022, were prepared in accordance with Vietnamese Accounting Standards and audited by Ernst & Young Vietnam Limited, which expressed an unqualified opinion on such financial statements.

EVN Finance's audited financial statements as of and for FY 2021 and FY 2020, were prepared in accordance with Vietnamese Accounting Standards and audited by Deloitte Vietnam Company Limited, which expressed an unqualified opinion on such financial statements.

Amounts in VND have been converted to USD for convenience at an exchange rate of (a) for the balance sheet, USD 1 = VND 23,601.70, which is the conversion rate as of December 31, 2022, and (b) for the statement of comprehensive income, USD 1 = VND 23,616.64, the average of the conversion rates at the beginning of FY 2022 and at the end of every month during FY 2022.

**Note: The financial information below is on a standalone basis as EVN Finance does not have any subsidiaries.**

<b>EVN FINANCE JOINT STOCK COMPANY</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Balance Sheet (USD )</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
<b>ASSETS</b>			
Cash, gold and gemstones	83,765	223,331	111,560
Balances with the State Bank of Vietnam	4,273,209	20,642,581	49,925,429
<b>Placements with and loans to other credit institutions</b>	<b>349,767,983</b>	<b>334,972,057</b>	<b>418,777,164</b>
Placements with other credit institutions	231,212,963	197,081,566	418,777,164
Loans to other credit institutions	118,555,019	137,890,491	-
Derivatives and other financial assets			
<b>Loans to customers</b>	<b>503,504,959</b>	<b>704,576,026</b>	<b>1,015,035,019</b>
Loans to customers	509,699,937	713,929,675	1,031,813,302
Provision for credit loss on loans to customers	(6,194,977)	(9,353,648)	(16,778,283)
<b>Investment securities</b>	<b>273,556,693</b>	<b>153,211,675</b>	<b>84,955,067</b>
Available-for-sale securities	270,255,278	154,729,108	87,353,623
Held-to-maturity investment securities	9,778,448	-	-
Provision for investment securities	(6,477,033)	(1,517,433)	(2,398,556)
<b>Long-term investments</b>	<b>18,930,162</b>	<b>41,929,141</b>	<b>19,084,727</b>
Other long-term investments	18,963,592	41,966,426	19,244,631
Provision for other long-term investments	(33,430)	(37,285)	(159,904)
<b>Fixed Assets</b>	<b>3,300,610</b>	<b>3,715,834</b>	<b>3,469,326</b>
<b>Tangible fixed assts</b>	<b>1,483,834</b>	<b>1,582,471</b>	<b>1,289,144</b>
Cost	4,198,723	4,603,694	4,507,175
Accumulated Depreciations	(2,714,889)	(3,021,223)	(3,218,031)
<b>Intangible Assets</b>	<b>1,816,776</b>	<b>2,133,363</b>	<b>2,180,182</b>
Cost	3,066,601	3,620,290	3,915,862
Accumulated Amortisation	(1,249,825)	(1,486,927)	(1,735,680)
<b>Other Assets</b>	<b>67,041,018</b>	<b>112,980,717</b>	<b>196,560,417</b>
Receivables	45,158,018	94,196,223	157,446,455
Interest and fees receivable	27,910,701	23,976,536	41,148,816
Other assets	2,240,940	2,630,319	5,927,539
Provision for other assets	(8,268,642)	(7,822,360)	(7,962,393)
<b>TOTAL ASSETS</b>	<b>1,220,458,399</b>	<b>1,372,251,363</b>	<b>1,787,918,709</b>

<b>EVN FINANCE JOINT STOCK COMPANY</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Balance Sheet (USD )</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
<b>LIABILITIES</b>			
<b>Deposits and borrowings from other credit institutions</b>	<b>549,340,090</b>	<b>485,864,535</b>	<b>638,212,036</b>
Deposits from other credit institutions	196,971,405	101,803,048	371,524,085
Borrowings from other credit institutions	352,368,685	384,061,487	266,687,950
<b>Customer deposits</b>	<b>286,971,786</b>	<b>192,272,887</b>	<b>175,255,681</b>
Derivatives and other financial liabilities	-	-	566,527
<b>Fund for finance, entrusted investments, and entrusted loans</b>	<b>191,880,881</b>	<b>241,559,761</b>	<b>314,440,612</b>
<b>Valuable papers issued</b>	<b>21,184,915</b>	<b>256,761,166</b>	<b>434,460,230</b>
<b>Other liabilities</b>	<b>15,757,806</b>	<b>26,984,455</b>	<b>41,307,024</b>
Interest and fee payables	9,578,886	18,116,788	30,411,030
Other payables	6,178,919	8,867,666	10,895,995
<b>TOTAL LIABILITIES</b>	<b>1,065,135,478</b>	<b>1,203,442,803</b>	<b>1,604,242,110</b>
<b>OWNERS' EQUITY</b>			
<b>Capital and reserves</b>	<b>112,370,761</b>	<b>129,202,727</b>	<b>148,843,854</b>
Charter capital	112,272,124	129,104,090	148,745,218
Capital for construction investment	98,637	98,637	98,637
<b>Reserves</b>	<b>15,718,656</b>	<b>17,170,331</b>	<b>19,271,239</b>
	-	-	-
<b>Retained earnings</b>	<b>27,233,504</b>	<b>22,435,503</b>	<b>15,561,506</b>
<b>TOTAL OWNERS' EQUITY</b>	<b>155,322,922</b>	<b>168,808,560</b>	<b>183,676,600</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>1,220,458,399</b>	<b>1,372,251,363</b>	<b>1,787,918,709</b>
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Other Guarantees</b>	<b>1,133,435</b>	<b>12,562,951</b>	<b>39,299,034</b>
<b>Other off-balance sheet items</b>		<b>104,873,505</b>	<b>94,499,506</b>
Uncollectible loan interest and receivable fees	-	8,916,265	12,041,294
Bad debts written-off	-	95,957,240	82,458,213
Foreign exchange commitments			
Foreign exchange commitments-buy	-	-	-
Foreign exchange commitments-sell	-	-	-
Other assets and valuable papers	-	138,333,976	39,019,096
<b>TOTAL</b>	<b>1,133,435</b>	<b>255,770,432</b>	<b>172,817,636</b>

<b>EVN FINANCE JOINT STOCK COMPANY</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Income Statement (USD)</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
Interest and similar income	62,399,482	75,012,030	112,918,526
Interest and similar expense	(32,199,968)	(41,725,032)	(73,996,729)
<b>Net interest and similar income</b>	<b>30,199,514</b>	<b>33,286,998</b>	<b>38,921,797</b>
Fee and commission income	6,184,623	5,849,393	5,523,352
Fee and commission expense	(2,942,502)	(4,211,141)	(4,842,095)
<b>Net gain from fee and commission</b>	<b>3,242,121</b>	<b>1,638,252</b>	<b>681,257</b>
<b>Net loss from trading of foreign currencies</b>	<b>113,141</b>	<b>(75,117)</b>	<b>(1,640,369)</b>
	-	-	-
<b>Net (loss)/Gain from investment securities</b>	<b>738,208</b>	<b>3,939,003</b>	<b>(3,324,690)</b>
Other operating income	3,952,722	10,278,474	12,487,721
Other operating expenses	(53,056)	(27,311)	(3,026,849)
<b>Net gain from other operating activities</b>	<b>3,899,666</b>	<b>10,251,163</b>	<b>9,460,872</b>
<b>Income from investments in other entities</b>	<b>195,625</b>	<b>417,841</b>	<b>4,344,352</b>
<b>Total Operating Income</b>	<b>38,388,274</b>	<b>49,458,140</b>	<b>48,443,219</b>
Total Operating Expense	(12,838,914)	(10,527,790)	(13,856,248)
<b>Net Profit before provision for credit losses</b>	<b>25,549,360</b>	<b>38,930,350</b>	<b>34,586,971</b>
Provision expenses for credit losses	(13,451,110)	(21,501,197)	(15,306,243)
<b>Profit Before Tax</b>	<b>12,098,250</b>	<b>17,429,153</b>	<b>19,280,729</b>
Current corporate income tax expense	(2,426,721)	(3,431,775)	(3,792,199)
<b>Net Profit After Tax</b>	<b>9,671,529</b>	<b>13,997,377</b>	<b>15,488,529</b>



## TERMS AND CONDITIONS OF THE BONDS

*The following is the text of the conditions of the Bonds (the “Conditions”) which (subject to modification and except for the paragraphs in italics) will be endorsed on the Certificates issued in respect of the Bonds:*

The US\$88,000,000 7.25 per cent. Women’s Livelihood Bonds due 2027 (the “**Bonds**”) of WLB Asset VI Pte. Ltd. (the “**Issuer**”) are constituted by a Trust Deed (the “**Trust Deed**”) dated December 21, 2023 (the “**Closing Date**”) made between (i) the Issuer, (ii) Impact Investment Exchange Pte. Ltd. (“**IIX**”), (iii) The Bank of New York Mellon, London Branch (the “**Bonds Trustee**”, which expression shall include each person or persons for the time being acting as bonds trustee or bonds trustees pursuant to the Trust Deed) as trustee for the holders of the Bonds (the “**Bondholders**”), and (iv) The Bank of New York Mellon, London Branch, as the security trustee (the “**Security Trustee**,” which expressly shall include each person or persons for the time being acting as security trustee or security trustees pursuant to the Trust Deed).

The Bonds will be secured by a pledge and first ranking floating charge over the Funding Account, the Debt Service Reserve Account, the Collection Account, the Guarantee Fee Reserve Account and the Recovery Account (together the “**Accounts**”) pursuant to the deed of pledge and charge dated the Closing Date (the “**Deed of Pledge and Charge**”) between (i) the Issuer and (ii) the Security Trustee. The security created pursuant to the Deed of Pledge and Charge will be held by the Security Trustee for the benefit of the Bondholders, the Permitted Hedging Counterparties (as defined in Condition 8.2), the Agents (as defined below), the Bonds Trustee, the Security Trustee, Sida (as defined in Condition 8.2), the Subordinated Investor (as defined in Condition 8.2) and the Portfolio Manager (as defined in Condition 10.3) (together, the “**Secured Parties**”) pursuant to the terms of the Trust Deed.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed. Terms and expressions used but not defined herein have the respective meanings given to them in the Trust Deed. Copies of the Trust Deed, the Deed of Pledge and Charge and the agency agreement dated the Closing Date (the “**Agency Agreement**”) made between (i) the Issuer, (ii) IIX, (iii) the Bonds Trustee, (iv) The Bank of New York Mellon, London Branch, as the principal paying agent (the “**Principal Paying Agent**”, which expression shall include its successor(s)), (v) The Bank of New York Mellon SA/NV, Dublin Branch, as the transfer agent (the “**Transfer Agent**”, which expression shall include its successor(s)), and (vi) The Bank of New York Mellon SA/NV, Dublin Branch, as the registrar (the “**Registrar**”, which expression shall include its successor(s), and together with the Principal Paying Agent and the Transfer Agent, the “**Agents**”) are, for so long as there are outstanding Bonds, available by email or for inspection during normal business hours by the Bondholders, subject to prior written notice and the provision of proof of holdings, at the principal office for the time being of the Bonds Trustee, being at the Closing Date at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom and at the specified office of each Agent. The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Deed of Pledge and Charge and the Agency Agreement applicable to them.

*The owners shown in the records of Euroclear Bank SA/NV and/or Clearstream Banking S.A. of book-entry interests in the Bonds are deemed to have notice of all the provisions of the Trust Deed, the Deed of Pledge and Charge and the Agency Agreement applicable to them.*

### 1. FORM, DENOMINATION AND TITLE

#### 1.1 Form and Denomination

The Bonds are issued in registered form in denominations of US\$250,000 and integral multiples of US\$1,000 in excess thereof. One or more permanent global certificates, which may be subdivided (each a “**Certificate**”), will be issued to a nominee of the common depositary for Euroclear and Clearstream, Luxembourg as nominee for each Bondholder in respect of its registered holding of Bonds. The Certificate will be recorded in the register of Bondholders (the “**Register**”) which the Issuer will procure to be kept by the Registrar.

#### 1.2 Title

Title to the Bonds will pass upon transfer and registration in the Register in accordance with the provisions of the Agency Agreement.

### 1.3 **Holder Absolute Owner**

The Issuer, any Agent, the Bonds Trustee and the Security Trustee may (to the fullest extent permitted by applicable laws) deem and treat any person in whose name a Bond is registered as the absolute owner thereof for all purposes (whether or not the Bond shall be overdue and notwithstanding any notice of ownership or writing on the Bond or Certificate or any notice of previous loss or theft of the Bond or Certificate or of any trust or interest therein) and shall not be required to obtain any proof thereof or as to the identity of such person.

## 2. **TRANSFER OF THE BONDS, ISSUE OF CERTIFICATES AND ACCOUNTS**

### 2.1 **Transfers**

A Bond may be transferred by depositing the Certificate issued in respect of that Bond, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorised in writing, at the specified office of the Registrar or any of the Agents. No transfer of title to a Bond will be valid unless and until entered in the Register.

### 2.2 **Delivery of New Certificates**

Each new Certificate to be issued upon transfer of Bonds will, within seven Business Days of receipt by the Registrar or, as the case may be, any other relevant Agent of the duly completed form of transfer endorsed on the relevant Certificate, be sent at the risk of the holder entitled to the Bond to the address specified in the form of transfer. For the purposes of this Condition, “**Business Day**” shall mean a day on which banks are open for general business (excluding Saturdays, Sundays and public holidays) in the city in which the specified office of the Agent with whom a Certificate is deposited in connection with a transfer is located.

*Except in the limited circumstances described herein (see “Global Certificates – Exchange”), owners of interests in the Bonds will not be entitled to receive physical delivery of Certificates. Issues of Certificates upon transfer of Bonds are subject to compliance by the transferor and transferee with the certification procedures described above and in the Agency Agreement.*

Where some but not all of the Bonds in respect of which a Certificate is issued are to be transferred, a new Certificate in respect of the Bonds not so transferred will, within seven Business Days of receipt by the Registrar or the relevant Agent of the original Certificate, be sent at the risk of the holder of the Bonds not so transferred to the address of such holder appearing on the Register or as specified in the form of transfer.

### 2.3 **Formalities Free of Charge**

Registration of a transfer of Bonds will be effected without charge by or on behalf of the Issuer or any of the Agents but upon payment (or the giving of such indemnity as the Issuer or any of the Agents may require) in respect of any Tax or other governmental charges which may be imposed in relation to such transfer.

### 2.4 **Closed Periods**

No Bondholder may require the transfer of a Bond to be registered during the period of 15 days ending on (and including) the due date for any payment of principal or interest on that Bond.

### 2.5 **Regulations**

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds scheduled to the Trust Deed. The regulations may be changed by the Issuer, with the prior written approval of the Registrar. A copy of the current regulations will be available by email or for inspection by Bondholders with prior written notice and satisfactory proof of holding between 9:00 a.m. and 3:00 p.m. (London Time) from Monday to Friday (other than public holidays) at the specified office of the Principal Paying Agent.

## 2.6 Accounts

The Issuer must establish each Account prior to the Closing Date and must maintain each Account until all Bonds have been fully and unconditionally redeemed in accordance with the Transaction Documents (as defined in Condition 8.2).

## 2.7 Funding Account

- (a) On the Closing Date, the Issuer must ensure that all Bond proceeds, and all proceeds of the Subordinated Debt (as defined in Condition 8.2), are deposited directly into the Funding Account. From (and including) the Closing Date to (but excluding) the date that is 120 days after the Closing Date, the Issuer may also deposit into the Funding Account amounts received in relation to the extension of the Loans to Borrowers, including amounts received from the Permitted Hedging Counterparties under the Permitted Hedging Agreements and from the Borrowers.
- (b) From (and including) the Closing Date to (but excluding) the date that is 120 days after the Closing Date, the Issuer may apply amounts standing to the credit of the Funding Account to:
  - (i) make:
    - (1) Loans to Borrowers (each as defined in Condition 8.2); and
    - (2) payments due to Permitted Hedging Counterparties (other than a Defaulting Hedging Counterparty) under the Permitted Hedging Agreements; and
  - (ii) pay:
    - (1) any due and payable taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed on the Issuer by any Government Agency (as defined in Condition 5);
    - (2) any due and payable administrative costs and expenses properly incurred by the Issuer in connection with the establishment and operation of the Issuer (including management fees payable by the Issuer to the Portfolio Manager pursuant to the terms of the Portfolio Management Agreement (as defined in Condition 10.3); to the Corporate Services Provider under the Letter of Engagement on July 4, 2023; and to the Corporate Officer Provider and the Loan Administrator under the Corporate Officer and Loan Administration Agreement on November 8, 2023 (each as defined in Condition 10.3));
    - (3) any fees, costs or expenses properly incurred by the Issuer (or reimbursement of any such fees, costs or expenses incurred by the Portfolio Manager on behalf of the Issuer) in connection with the extension of Loans to the Borrowers, the preparation and entering into the Permitted Hedging Agreements or any other activities relating to the establishment or operation of the Issuer;
    - (4) any fees due and payable to Sida in accordance with the terms of a Limited Guarantee (as defined in Condition 8.2);
    - (5) any fees, costs and expenses due and payable to the Placement Agents, or to the Bonds Trustee, the Security Trustee and the Agents in accordance with the terms of the Transaction Documents, or in connection with the listing of the Bonds; and
    - (6) any fees due and payable to MFX Solutions Inc. under the Additional Access Fee Agreement between the Issuer and MFX Solutions Inc. dated on or around the Closing Date;

(together, the “**Initial Transaction Costs**”) **PROVIDED THAT** the total amount which may be withdrawn from the Funding Account for the payment of the Initial Transaction Costs shall not exceed US\$3,986,500 (the “**Initial Transaction Costs Limit**”).

- (c) On the date that is 120 days after the Closing Date, the Issuer:
  - (i) must transfer a total of US\$750,000 from the Funding Account to the Debt Service Reserve Account;
  - (ii) if the amount of Initial Transaction Costs is less than the Initial Transaction Costs Limit, must transfer an amount representing the difference to the Collection Account; and
  - (iii) must transfer from the Funding Account the credit balance (if any) remaining in the Funding Account after all other withdrawals, applications and transfers under this Condition 2.7 (including any transfers pursuant to Condition 2.7(c)(ii)) prior to that date to (a) a separate sub-account of the Recovery Account if such credit balance is more than US\$750,000 or (b) the Collection Account if such credit balance is not more than US\$750,000.
- (d) The Issuer must not use amounts standing to the credit of the Funding Account for any purpose other than as permitted under this Condition 2.7.

## 2.8 **Debt Service Reserve Account**

- (a) If, on any Expense Payment Date or Bond Payment Date (each as defined in Condition 7.4), the credit balance of the Collection Account is insufficient to pay all amounts payable on that date in accordance with Condition 3.2(a) items (i) to (vi) (such deficiency being the “**Deficit**”), the Issuer must transfer from the Debt Service Reserve Account to the Collection Account an amount equal to the lesser of the Deficit and the credit balance of the Debt Service Reserve Account for application in accordance with Condition 3.2(a).
- (b) On the Maturity Date (as defined in Condition 8.1), the Issuer must transfer the credit balance (if any) of the Debt Service Reserve Account into the Collection Account.
- (c) The Issuer must not use amounts standing to the credit of the Debt Service Reserve Account for any purpose other than as permitted under this Condition 2.8, Condition 2.12 or Condition 8.2.

## 2.9 **Recovery Account**

- (a) The Issuer must, promptly following the occurrence of a Special Redemption Event (as defined in Condition 8.2), open a separate sub-account of the Recovery Account in respect of each Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof) and any Unfunded Amount (each as defined in Condition 8.2).
- (b) The Issuer must, immediately following receipt, deposit into the relevant sub-account of the Recovery Account for that Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof):
  - (i) all amounts received by it in respect of each Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof), net of any costs directly incurred in the recovery of such amounts; and
  - (ii) each Sida Covered Amount received by it in respect of that Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof).
- (c) The Issuer must not use amounts standing to the credit of a sub-account of the Recovery Account for any purpose other than as permitted under this Condition 2.9 or Condition 8.2.

## 2.10 **Guarantee Fee Reserve Account**

- (a) In accordance with Condition 3.2(a), on each Bond Payment Date the Issuer shall deposit into the Guarantee Fee Reserve Account an amount sufficient to pay the maximum amount of the next succeeding fee to Sida under the terms of the Limited Guarantee.
- (b) On each Expense Payment Date and Bond Payment Date on which fees are payable to Sida under the terms of the Limited Guarantee, the Issuer shall make payment of an amount equal to such fees payable from the Guarantee Fee Reserve Account.
- (c) Upon the determination by the Issuer that no further fees will be payable by it to Sida under the terms of the Limited Guarantee, the Issuer must transfer the credit balance (if any) of the Guarantee Fee Reserve Account into the Collection Account.

#### 2.11 **Collection Account**

- (a) Subject to Conditions 2.7 to 2.10 (inclusive) the Issuer must, immediately following receipt, deposit all monies received by it into the Collection Account.
- (b) The Issuer must not use amounts standing to the credit of the Collection Account for any purpose other than as permitted under Condition 2.12 and Condition 3.2.

#### 2.12 **Permitted Allocations Within and Permitted Deposits by Certain Accounts**

- (a) Funds in the Debt Service Reserve Account and the Collection Account may be invested from time to time in fixed deposits, subject to the following conditions:
  - (i) such fixed deposits must have a maturity date of no more than one month;
  - (ii) such fixed deposits must permit withdrawal and transfer of funds into demand deposits within 1 Mauritius Business Day of request;
  - (iii) no investment in a fixed deposit may be made if an Event of Default has occurred or if the security created under the Deed of Pledge and Charge has been enforced; and
  - (iv) in the case of investment of funds in the Debt Service Reserve Account, if a Special Redemption Date has been fixed at the time of any investment in a fixed deposit, such fixed deposit must not have a maturity date that falls on or after such Special Redemption Date.
- (b) Other than as specified in Condition 2.12(a), funds in Accounts must be held in demand deposits or similar accounts that permit withdrawal of funds without advance notice.

In this Condition, “**Mauritius Business Day**” means a day (other than a Saturday or a Sunday or a statutory public holiday) on which commercial banks are open for general business in Mauritius.

### 3. **STATUS AND PRIORITY OF PAYMENTS**

#### 3.1 **Status**

The Bonds are direct, unconditional, unsubordinated and secured obligations of the Issuer and rank and will rank *pari passu*, without any preference or priority among themselves (subject to any mandatory priority rights applying to companies generally pursuant to applicable law). The payment obligations of the Issuer under the Bonds will, subject to the priority of payments set out in Condition 3.2, at all times rank at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors’ rights.

#### 3.2 **Priority of Payments**

- (a) *Pre-enforcement Order of Priority*

At any time before the security created under the Deed of Pledge and Charge is enforced and subject to Condition 8.2, the Issuer shall not withdraw or apply or instruct the Account Bank (as defined in Condition 8.2) to withdraw or apply any funds from the Collection Account prior to the date that all amounts due under the Bonds and the Transaction Documents have been paid in full; **provided that**, the Issuer may withdraw or apply funds from the Collection Account towards the following items in the following order of priority (in each case, only if and to the extent that payments or provisions of a higher order of priority have been made in full and to the extent that the Collection Account will not have a debit balance as a result):

- (i) *first*, in the case of both an Expense Payment Date and a Bond Payment Date, in or towards payment, *pari passu* and rateably, of any due and payable Taxes imposed on the Issuer by any Government Agency;
- (ii) *second*, in the case of both an Expense Payment Date and a Bond Payment Date, in or towards payment, *pari passu* and rateably, of the remuneration of and all fees, costs, charges, expenses and liabilities incurred by the Bonds Trustee, Security Trustee and each Agent (when acting as agent of the Trustee in accordance with clause 2.4 of the Trust Deed and clause 4.1 of the Agency Agreement), in performing their respective functions under the Transaction Documents;
- (iii) *third*, in the case of both an Expense Payment Date and a Bond Payment Date or other payment date under a Permitted Hedging Agreement (as defined in Condition 8.2), in or towards payment, *pari passu* and rateably, of: (1) the remuneration of and all fees, costs, charges, expenses and liabilities incurred by the Agents in performing their functions under the Transaction Documents (to the extent not already satisfied under Condition 3.2(a)(ii) above); and (2) payments due to Permitted Hedging Counterparties (other than a Defaulting Hedging Counterparty) under the Permitted Hedging Agreements;
- (iv) *fourth*, in the case of a Bond Payment Date only, into the Guarantee Fee Reserve Account an amount sufficient to pay the maximum amount of the next succeeding fee to Sida under the terms of the Limited Guarantee;
- (v) *fifth*, in the case of both an Expense Payment Date and a Bond Payment Date, in or towards payment, *pari passu* and rateably, of:
  - (1) any due and payable administrative costs and expenses properly incurred by the Issuer in connection with the establishment and operation of the Issuer (including management fees payable by the Issuer to the Portfolio Manager pursuant to the terms of the Portfolio Management Agreement, to the Corporate Services Provider under the Letter of Engagement, and to the Corporate Officer Provider and the Loan Administrator under the Corporate Officer and Loan Administration Agreement), up to an amount equal to the Senior Expenses Cap for the related payment period less the amount of Senior Expenses previously paid in such period, **provided that** if an Event of Default has occurred and is continuing,
    - a. the Senior Expenses Cap shall not apply in respect of such administrative costs and expenses, other than management fees payable by the Issuer to the Portfolio Manager pursuant to the terms of the Portfolio Management Agreement; and
    - b. if the Portfolio Manager has neither consented nor contributed (whether in whole or in part) to such Event of Default, the Senior Expenses Cap shall also not apply in respect of management fees payable by the Issuer to the Portfolio Manager pursuant to the terms of the Portfolio Management Agreement; and
  - (2) costs and expenses properly incurred by the Issuer (including reasonable legal costs) in connection with the realisation, recovery or enforcement of any Loan,

up to an amount equal to the Senior Expenses Cap for the related payment period less the amount of Senior Expenses previously paid in such period, **provided that** if an Event of Default has occurred and is continuing, the Senior Expenses Cap shall not apply in respect of such administrative costs and expenses;

- (vi) *sixth*, in the case of a Bond Payment Date only, in or towards payment of interest due and payable to Bondholders in respect of the Bonds, *pari passu* and rateably;
- (vii) *seventh*, in the case of a Bond Payment Date only and if such date is the Maturity Date, and at the sole discretion of the Issuer, into a sub-account of the Collection Account an amount up to the Reserve Amount (as defined below), **provided that**:
  - (1) on the Maturity Date, there are insufficient funds in the Collection Account (which shall, for the avoidance of doubt, be calculated without accounting for any Reserve Amount) to pay Bondholders all amounts set out in Condition 3.2(a)(viii) below in accordance with the priority of payments set out in this Condition 3.2(a); and
  - (2) there is a reasonable prospect that the Issuer will receive, during the period between the Maturity Date and the Long-Stop Date (both dates inclusive), proceeds from the realisation, recovery or enforcement of any Accelerated Loan in aggregate amount greater than the Reserve Amount;
- (viii) *eighth*, in the case of a Bond Payment Date only, in or towards payment of principal and any other amounts due and payable to Bondholders in respect of the Bonds, *pari passu* and rateably, including any such amounts due and payable on early redemption of the Bonds;
- (ix) *ninth*, in the case of a Bond Payment Date only, interest, fees and expenses accrued and unpaid on the Subordinated Debt (net of any withholding Taxes imposed on the Issuer in connection therewith by any Government Agency, which shall be paid to such Government Agency);
- (x) *tenth*, in the case of Bond Payment Date only and if such date is the Maturity Date, and at the sole discretion of the Issuer, into a sub-account of the Collection Account an amount up to the Wind-down Amount (such account, the “**Wind-down Amount Sub-account**”);
- (xi) *eleventh*, in the case of the Bond Payment Date only and if such date is the Maturity Date or the Long-Stop Date, the unpaid and outstanding principal of the Subordinated Debt;
- (xii) *twelfth*, in the case of a payment date under a Permitted Hedging Agreement, in or towards payments due to any Defaulting Hedging Counterparty (as defined below) under the Permitted Hedging Agreements;
- (xiii) *thirteenth*, in the case of an Expense Payment Date, a Bond Payment Date or any applicable payment date in or towards payment, *pari passu* and rateably, of (1) any due and payable administrative costs and expenses (if any) properly incurred by the Issuer in connection with the establishment and operation of the Issuer (including management fees payable by the Issuer to the Portfolio Manager pursuant to the terms of the Portfolio Management Agreement, to the Corporate Services Provider under the Letter of Engagement, and to the Corporate Officer and Loan Administration Agreement), not paid by reason of the Senior Expenses Cap; and (2) costs and expenses properly incurred by the Issuer (including reasonable legal costs) in connection with the realisation, recovery or enforcement of any Loan, not paid by reason of the Senior Expenses Cap; and

- (xiv) *fourteenth*, in the case of a Bond Payment Date only and if such date is the Maturity Date or the Long-Stop Date, 70% of the surplus (if any) shall be paid to the Portfolio Manager, and 30% of the surplus (if any) shall be paid to the Subordinated Investor.

For the avoidance of doubt, nothing in this Condition 3.2(a) shall require the postponement or deferral of the date of payment of any amounts owing under the Bonds or any Transaction Document or Permitted Hedging Agreement from the date for which such payments are due in accordance with their respective terms.

In this Condition, “**Defaulting Hedging Counterparty**” means any Permitted Hedging Counterparty in respect of which an Event of Default (as defined in the relevant Permitted Hedging Agreement) in relation to which such Permitted Hedging Counterparty is the Defaulting Party (as defined in the relevant Permitted Hedging Agreement) occurs.

In this Condition, “**Reserve Amount**” means US\$1,000,000 or such other amount as may be approved by the Bondholders by way of an Extraordinary Resolution.

In this Condition, “**Wind-down Amount**” means US\$60,000 or such other amount as may be approved by the Bondholders by way of an Extraordinary Resolution.

(b) *Application of Reserve Amount and Wind-down Amount*

- (i) The Issuer may withdraw all or part of the Reserve Amount and Wind-down Amount from the Collection Account at any time on or after the Maturity Date in or towards payment of:
- (1) any due and payable administrative costs and expenses properly incurred by the Issuer in connection with the operation and winding down of the Issuer (including fees payable by the Issuer to the Corporate Services Provider under the Letter of Engagement and (if applicable) to the Corporate Officer Provider under the Corporate Officer and Loan Administration Agreement); and
  - (2) (in the case of the Reserve Amount only) costs and expenses properly incurred by the Issuer (including reasonable legal costs) in connection with the realisation, recovery or enforcement of any Accelerated Loan.
- (ii) If, at any time after the Maturity Date, there is no reasonable prospect that the Issuer will receive, during the period between the date of such determination and the Long-Stop Date (both dates inclusive), proceeds from the realisation, recovery or enforcement of any Accelerated Loan in aggregate amount greater than the remaining Reserve Amount standing to the credit of the relevant sub-account of the Collection Account on the date of such determination, the Issuer shall, on the next Bond Payment Date, Expense Payment Date or any other payment date, as applicable, apply such remaining Reserve Amount towards the payment of all amounts payable under Condition 3.2(a)(viii), 3.2(a)(ix), 3.2(a)(x), 3.2(a)(xi), 3.2(a)(xii) and 3.2(a)(xiv).
- (iii) At the time of the winding down of the Issuer, if the Issuer determines in its sole discretion that there will be no further administrative costs or expenses payable by the Issuer in connection with the operation and winding down of the Issuer (including fees payable by the Issuer to the Corporate Services Provider under the Letter of Engagement and (if applicable) to the Corporate Officer Provider under the Corporate Officer and Loan Administration Agreement), the Issuer shall apply any funds remaining in the Wind-down Amount Sub-account towards the payment of all amounts payable under Condition 3.2(a)(xi), 3.2(a)(xii) and 3.2(a)(xiv).

(c) *Post-enforcement Order of Priority*

At any time after the security created under the Deed of Pledge and Charge is enforced, all moneys received by the Bonds Trustee or the Security Trustee in connection with the realisation and enforcement of the security or credited to the Collection Account shall be held on trust for



the payees referred to below to be applied in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full and to the extent that the Collection Account will not have a debit balance as a result):

- (i) *first*, in or towards payment of all amounts owing to the Security Trustee to indemnify the Security Trustee against all loss or liability incurred by the Security Trustee in acting under the Trust Deed and the Deed of Pledge and Charge;
- (ii) *second*, in or towards payment, *pari passu* and rateably, of the remuneration of and the fees, costs, charges, expenses and liabilities incurred by the Bonds Trustee, the Security Trustee and each Agent (when acting as agent of the Trustee in accordance with clause 2.4 of the Trust Deed and clause 4.1 of the Agency Agreement) in performing their respective functions under the Transaction Documents;
- (iii) *third*, in or towards payment, *pari passu* and rateably, of (1) the remuneration of and the fees, costs, charges, expenses and liabilities reasonably incurred by the Agents in performing their respective functions under the Transaction Documents (to the extent not already satisfied under Condition 3.2(c)(ii) above); and (2) payments due to any Permitted Hedging Counterparties (other than a Defaulting Hedging Counterparty) under a Permitted Hedging Agreement;
- (iv) *fourth*, in or towards payment of all amounts owing to Sida under the Limited Guarantee;
- (v) *fifth*, in or towards payment of all amounts owing to the Portfolio Manager, the Corporate Services Provider, the Corporate Officer Provider and the Loan Administrator, *pari passu* and rateably, under the Transaction Documents;
- (vi) *sixth*, in or towards payment of all money owing to the Bondholders in respect of the Bonds, *pari passu* and rateably;
- (vii) *seventh*, the interest, fees and expenses accrued and unpaid on the Subordinated Debt (to the extent payable in cash under the terms thereof and net of any withholding Taxes imposed on the Issuer in connection therewith by any Government Agency, which shall be paid to such Government Agency), and then the unpaid and outstanding principal of the Subordinated Debt;
- (viii) *eighth*, in or towards payments due to any Defaulting Hedging Counterparty (as defined in Condition 3.2(a) above), in performing their respective functions under the Permitted Hedging Agreements; and
- (ix) *ninth*, 70% of the surplus (if any) to the Issuer, and 30% of the surplus (if any) shall be paid to the Subordinated Investor.

This Condition 3.2(c) will override any appropriation made by the Issuer.

#### 4. SECURITY

- (a) The Security Trustee has, for and on behalf of the Bondholders, the Permitted Hedging Counterparties, the Subordinated Investor and the other Secured Parties entered into the Trust Deed in order that the Bonds and the Permitted Hedging Obligations be secured by the Deed of Pledge and Charge in accordance with and subject to the terms of the Trust Deed.
- (b) The Deed of Pledge and Charge is governed by the laws of Mauritius and has been made in favour of the Security Trustee which holds the benefit of the security created thereunder for the Bondholders, the Permitted Hedging Counterparties, the Subordinated Investor and the other Secured Parties in accordance with and subject to the terms of the Trust Deed.
- (c) Subject to the provisions of the Trust Deed, the security created under the Deed of Pledge and Charge may only be enforced by the Security Trustee.

## 5. COVENANTS

5.1 The Issuer has given certain covenants to the Bonds Trustee pursuant to the Trust Deed. In particular, except with the prior written consent of the Bonds Trustee or as expressly provided in these Conditions or any of the Transaction Documents, the Issuer shall not, so long as any Bond remains outstanding:

(a) *Negative Pledge*

create or permit to subsist any mortgage, charge, lien, pledge or other security interest of any kind, however created or arising, including anything analogous to any of the foregoing under the laws of any jurisdiction, over the whole or any part of its present or future assets, revenues or undertaking other than:

- (i) the security over the Accounts created under the Deed of Pledge and Charge;
- (ii) any lien over an asset arising by operation of law and in the ordinary course of the Issuer's business, including a lien in favour of a Government Agency in respect of any due and unpaid Taxes of the Issuer; or
- (iii) any lien arising out of any Permitted Hedging Agreement;

(b) *Restriction on Activities*

carry on any business activity whatsoever other than as described in the Information Memorandum relating to the offering of the Bonds and, in respect of that business, including:

- (i) enter into the Transaction Documents to which it is a party and preserve, exercise and enforce its rights and perform and observe its obligations under and pursuant to the Transaction Documents to which it is a party;
- (ii) issue the Bonds and the Subordinated Debt;
- (iii) perform any act, incidental to or necessary in connection with any of the above, including entering into Permitted Hedging Agreements and depositing funds into the Accounts;
- (iv) engage in those activities necessary for its continued existence and proper management; and
- (v) maintain at all times at least one independent director;

(c) *No Real Property*

directly or indirectly own real property.

(d) *Non-disposal*

transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire, any of its assets, revenues or undertaking or any interest, right or benefit in respect of any of them or agree or purport to do so other than:

- (i) the security over the Accounts created under the Deed of Pledge and Charge or any transfer or disposal of, or grant of any right to acquire, any of the Company's assets, revenues or undertakings or any interest, right or benefit in respect of any of them pursuant to the Limited Guarantee or the Permitted Hedging Agreements; and
- (ii) in the reasonable judgment of the Portfolio Manager, any Accelerated Loan described in limbs (a) and (c) of the definition thereof, including, without limitation, pursuant to restructuring or enforcement proceedings or by sale or other disposal to a collection agent or recovery specialist;

(e) *Indebtedness*

create, incur or permit to subsist any Indebtedness (as defined below) of the Issuer, other than the Subordinated Debt, the Limited Guarantee and Permitted Hedging Obligations, or give any guarantee or indemnity in respect of Indebtedness or of any other obligation of any person.

In this Condition:

**“Government Agency”** means any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity; and

**“Indebtedness”** means any indebtedness of any person for or in respect of:

- (i) monies borrowed;
- (ii) any amount raised by acceptance under any acceptance credit facility;
- (iii) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with generally accepted accounting principles in Singapore, be treated as a finance or capital lease;
- (v) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (viii) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (ix) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (viii) above;

(f) *Amendment or Prepayment of Subordinated Debt*

amend any term of the Subordinated Debt (other than amendments that, in the opinion of the Issuer, are of a formal, minor or technical nature or to correct a manifest error), or pay any principal of or any interest on the Subordinated Debt other than as contemplated in these Conditions;

(g) *Merger and Consolidation*

directly or indirectly consolidate or merge with or into another person; and

(h) *No Subsidiaries or Employees*

directly or indirectly incorporate or acquire a subsidiary or have any employees.

5.2 The Issuer agrees:

- (a) to be the designated entity for the purpose of Article 7(2) of each Securitisation Regulation;

- (b) to make available to Bondholders and (upon request therefor) potential Bondholders such documents, reports and information required to be made available under Article 7(1) of the EU Securitisation Regulation; and
- (c) to use reasonable endeavours to make available to Bondholders and (upon request therefor) potential Bondholders such documents, reports and information required to be made available under Article 7(1) of the UK Securitisation Regulation.

In this Condition, the terms “**EU Securitisation Regulation**,” “**UK Securitisation Regulation**” and “**Securitisation Regulations**” have the meaning given to them in the Information Memorandum.

- 5.3 For so long as any Bonds are outstanding, the Issuer will provide to the Bond Trustee an initial loan schedule, semi-annual loan performance reports, annual audited accounts, semi-annual unaudited accounts and semi-annual certificates of compliance, as well as semi-annual impact reports and annual impact reports in relation to the Borrowers, prepared by the Portfolio Manager.
- 5.4 If the Portfolio Manager fails to perform or observe any of its obligations under the Portfolio Management Agreement, and such failure continues for a period of 60 days following the service by the Bonds Trustee on the Portfolio Manager, of notice requiring the same to be remedied, the Bonds Trustee may and if instructed by an Extraordinary Resolution of the Bondholders and subject to being indemnified and/or secured and/or pre-funded to its satisfaction, shall, remove and replace the Portfolio Manager.

## 6. **INTEREST**

### 6.1 **Interest Rate and Payment Dates**

Each Bond shall bear interest on its principal amount from and including the Closing Date to, but excluding, its date of redemption at the rate of 7.25 per cent. per annum, payable semi-annually in arrears on each Bond Payment Date. The first payment (representing a full six months’ interest) for the period from and including December 21, 2023 to but excluding June 21, 2024 and amounting to US\$36.25 per US\$1,000 in principal amount of Bonds shall be made on June 21, 2024.

### 6.2 **Interest Accrual**

Interest also accrues at the rate of 7.25 per cent. per annum on the amount of any interest accrued but unpaid on any prior Bond Payment Date (excluding any Interest Shortfall Amounts (as defined in Condition 8.2(e))).

### 6.3 **Calculation of Broken Interest**

When interest is required to be calculated in respect of a period of less than six months, it shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed on the basis of a month of 30 days.

## 7. **PAYMENTS**

### 7.1 **Payments in Respect of Bonds**

Payments of principal and interest on the Bonds will be made by transfer to the registered account of the Bondholder. Payments of principal and payments of interest due other than on a Bond Payment Date will only be made against surrender of the relevant Certificate at the specified office of any of the Agents. Interest on Bonds due on a Bond Payment Date will be paid to the holder (or the first named holder in the case of joint holders) shown on the Register at the close of business on the date (the “**record date**”) being the fifteenth day before the relevant Bond Payment Date.

*For so long as the Bonds are represented by a Global Certificate deposited with a common depositary for Euroclear and Clearstream, Luxembourg, each payment will be made to, or to the order of, the person whose name is entered in the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where “Clearing System Business Day” means Monday to*

*Friday inclusive except 25 December and 1 January and any day on which banks are required or permitted to be closed in the city of New York.*

For the purposes of this Condition, a Bondholder's registered account means the U.S. Dollar account maintained by or on behalf of it with a bank that processes payments in U.S. Dollars, details of which appear on the Register at the close of business, in the case of principal and interest due otherwise than on a Bond Payment Date, on the second Business Day (as defined in Condition 7.5) before the due date for payment and, in the case of interest due on a Bond Payment Date, on the relevant record date, and a Bondholder's registered address means its address appearing on the Register at that time.

## **7.2 Payments Subject to Applicable Laws, Including Taxation**

Payments in respect of principal and interest on the Bonds are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment.

Payments of principal and interest on the Bonds are also subject to any withholding or deduction for any Taxes imposed, levied, collected, withheld or assessed by any authority having the power to tax. The Issuer will not be obligated to pay any additional amounts to Bondholders in respect of amounts so withheld or deducted.

## **7.3 No Commissions**

No commissions or expenses shall be charged to the Bondholders in respect of any payments made in accordance with this Condition.

## **7.4 Timing for Payments**

Payments of principal and interest due on the Bonds will be made on each Bond Payment Date and payments of costs and expenses with respect to the administration of the Issuer and the Loans will be made on each Expense Payment Date and each Bond Payment Date, in each case in accordance with these Conditions.

In these Conditions:

“**Bond Payment Date**” means each date falling on the 21<sup>st</sup> day of June and December of each year, commencing June 21, 2024; and

“**Expense Payment Date**” means each date falling on the 21<sup>st</sup> day of each month other than June and December of each year, commencing January 21, 2024.

## **7.5 Payment on Business Days**

Where the relevant payment date is not a Business Day, the terms of this Condition 7.5 apply.

Where payment is to be made by transfer to a registered account, payment instructions (for value the first day following the due date which is a Business Day) will be initiated on the Business Day preceding the due date for payment or, in the case of a payment of principal or a payment of interest due otherwise than on a Bond Payment Date, on the Business Day following the due date on which the relevant Certificate is surrendered at the specified office of an Agent.

Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a Business Day or, if the Bondholder is late in surrendering its Certificate (if required to do so).

In this Condition, “**Business Day**” means a day (other than a Saturday or a Sunday or a public holiday) on which commercial banks are open for general business in Mauritius, Singapore, Hong Kong, London and New York and, in the case of presentation of a Certificate, in the place in which the Certificate is presented.

## **7.6 Partial Payments**

If the amount of principal or interest which is due on the Bonds is not paid in full, the Registrar will annotate the Register with a record of the amount of principal or interest in fact paid.

## 7.7 Agents

The names of the initial Agents and their initial specified offices are set out at the end of these Conditions. The Issuer reserves the right, subject to the prior written approval of the Bonds Trustee, at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents **provided that:**

- (a) there will at all times be a Principal Paying Agent; and
- (b) there will at all times be a Registrar.

Notice of any termination or appointment and of any changes in the Agents or their specified offices will be given to the Bondholders promptly by the Issuer in accordance with Condition 13.

So long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that the Global Certificate is exchanged for definitive certificates, the Issuer shall appoint and maintain a paying agent in Singapore, where the Bonds may be presented or surrendered for payment or redemption. In addition, in the event that the Global Certificate is exchanged for definitive certificates, an announcement of such exchange shall be made through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive certificates, including details of the paying agent in Singapore.

## 8. REDEMPTION, PURCHASE AND SURPLUS FUNDS

### 8.1 Redemption at Maturity

- (a) Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem the Bonds at their principal amount on December 21, 2027 (the “**Maturity Date**”); **provided, however, that** if all of the outstanding Bonds are redeemed or purchased and cancelled as provided in Conditions 8.2 to 8.4 (inclusive) below, the Maturity Date shall be deemed to be the date of such redemption or purchase). The Bonds may not be redeemed other than in accordance with this Condition 8.
- (b) On the Maturity Date and/or the Long-Stop Date, in addition to amounts payable under Condition 8.1(a), the Issuer shall pay to the Portfolio Manager and Subordinated Investor any Surplus Funds (as defined below) in the Collection Account as of such date in accordance with and to the extent permitted by Condition 3.2(a)(xiv).

### 8.2 Mandatory Special Redemption Event and Post-Maturity Payment

- (a) Upon the occurrence of a Special Redemption Event, the Issuer shall redeem such principal amount of Bonds and/or Subordinated Debt equal to the relevant Special Redemption Principal Amount on the Special Redemption Date in accordance with this Condition 8.2.
- (b) The Issuer shall give notice to the Bonds Trustee and the Bondholders in accordance with Condition 13 promptly upon (and in any event no later than five (5) days of) the occurrence of a Special Redemption Event, which notices shall be irrevocable and shall specify:
  - (i) the date of occurrence of the Special Redemption Event;
  - (ii) in respect of each Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof) (if any) to which such Special Redemption Event relates, the amount which is accelerated thereunder, the outstanding principal amount of the Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof), the related Special Redemption Principal Amount (as defined below) and the name of the relevant Borrower;

- (iii) in respect of an Unfunded Amount (if any) to which such Special Redemption Event relates, the Unfunded Amount and the related Special Redemption Principal Amount; and
  - (iv) the Special Redemption Date (as defined below).
- (c) The Issuer shall, on each Special Redemption Date, apply amounts standing to the credit of the relevant sub-account of the Recovery Account in the following order of priority:
  - (i) first, if the relevant Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof) is a Sida Covered Loan, in or towards the payment of any amounts due to Sida under Clause 13 of the Limited Guarantee, as the case may be, in respect of that Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof);
  - (ii) second, in respect of an Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof), in or towards the payment of any accrued but unpaid interest on a principal amount of the Bonds equal to the Special Redemption Principal Amount, *pari passu* and rateably; and
  - (iii) third, in or towards repayment in respect of an Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof), the principal amount of the Bonds, *pari passu* and rateably, in an aggregate amount equal to the Special Redemption Principal Amount;

**provided, however, that** notwithstanding clauses (i) – (iii) above, if such Mandatory Special Redemption Event occurs in connection with an Unfunded Amount, amounts standing to the credit of the relevant sub-account of the Recovery Account shall be applied solely to the principal amount of the Bonds and the Subordinated Debt, *pari passu* and rateably, in an aggregate amount equal to the Special Redemption Principal Amount, to be split pro-rata on the basis of the principal amount of the Bonds and the Subordinated Debt outstanding as at the Special Redemption Date.
- (d) To the extent that the funds available for application in accordance with Condition 8.2(c) are insufficient to satisfy in full the Issuer's obligations under Condition 8.2(c)(ii) and 8.2(c)(iii) or the proviso to Condition 8.2(c), the Issuer must, on the Special Redemption Date, apply any funds standing to the credit of the Debt Service Reserve Account in the following order of priority:
  - (i) *first*, in respect of an Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof), in or towards the payment of any accrued but unpaid interest on a principal amount of the Bonds equal to the Special Redemption Principal Amount, *pari passu* and rateably; and
  - (ii) *second*, in or towards repayment in respect of an Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof) the principal amount of the Bonds, *pari passu* and rateably, up to an aggregate amount equal to the Special Redemption Principal Amount;

**provided, however, that** notwithstanding clauses (i) – (ii) above, if such Mandatory Special Redemption Event occurs in connection with an Unfunded Amount, amounts standing to the credit of the relevant sub-account of the Recovery Account shall be applied solely to the principal amount of the Bonds and the Subordinated Debt, *pari passu* and rateably, up to an aggregate amount equal to the Special Redemption Principal Amount to be split pro-rata on the basis of the principal amount of the Bonds and the Subordinated Debt outstanding as at the Special Redemption Date.
- (e) To the extent that the funds available for application under Conditions 8.2(c) and 8.2(d) are insufficient to:

- (i) (in the case of a Special Redemption Event described in limb (a) of the definition thereof) pay all accrued but unpaid interest on a principal amount of the Bonds equal to the Special Redemption Principal Amount of the Bonds (such shortfall, the “**Interest Shortfall Amount**”); and
- (ii) repay the principal amount of the Bonds and (in the case of a Special Redemption Event described in limb (b) of the definition thereof) Subordinated Debt in an aggregate amount equal to the Special Redemption Principal Amount (such shortfall, the “**Principal Shortfall Amount**” and, together with any Interest Shortfall Amount, the “**P&I Shortfall Amount**”),

any amount recovered in respect of any P&I Shortfall Amount from (and including) the relevant Special Redemption Date must be deposited by the Issuer into the relevant sub-account of the Recovery Account.

- (f) Any amount recovered in respect of any P&I Shortfall Amount:
  - (i) from (and including) the relevant Special Redemption Date to (but excluding) the Maturity Date shall be distributed by the Issuer to (a) in respect of an Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof), the Bondholders, or (b) in respect of an Unfunded Amount, the Bondholders and the Subordinated Investor to be split pro-rata on the basis of the principal amount of the Bonds and the Subordinated Debt outstanding, on the Maturity Date; and
  - (ii) from (and including) the Maturity Date to (but excluding) the Long-Stop Date shall be distributed by the Issuer to (a) in respect of an Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof), the Bondholders, or (b) in respect of an Unfunded Amount, the Bondholders and the Subordinated Investor to be split pro-rata on the basis of the principal amount of the Bonds and the Subordinated Debt outstanding, on the Long-Stop Date, after deducting all amounts due and payable to Sida under the Limited Guarantee.

For the avoidance of doubt, any outstanding P&I Shortfall Amount that is owing to the Bondholders after payments have been made in accordance with Condition 8.2(f) shall be losses for the account of the Bondholders, the Issuer will be released and discharged from any further liability in respect of such shortfall amounts and there shall be no further recourse against the Issuer for such shortfall amounts.

In these Conditions:

“**Accelerated Loan**” means:

- (a) a Loan which is accelerated as a result of the occurrence of a default or an event of default or any other circumstance allowing for the acceleration of such Loan prior to its scheduled maturity date pursuant to the terms and conditions applicable to such Loan;
- (b) a Loan which is voluntarily prepaid not due to a default or event of default under the relevant Loan and in respect of which either: (i) the Issuer does not disburse the proceeds of such voluntary prepayment to a Borrower under a new Loan within 90 days of the Issuer’s receipt of such prepayment; or (ii) the Issuer determines not to make any such new Loan (prior to the expiry of such 90-day period); or
- (c) a Loan which has not been repaid by the relevant Borrower after the scheduled maturity date of the Loan pursuant to the terms and conditions applicable to such Loan;

“**Account Bank**” means Standard Chartered Bank (Mauritius) Limited, a bank duly licensed to operate in Mauritius or such other bank in Mauritius as the Accounts may be maintained with from time to time;

“**Borrower**” means each of (i) First Finance Plc (“**First Finance**”), (ii) Ananya Finance for Inclusive Growth Private Limited (“**Ananya**”), (iii) Dvara Kshetriya Gramin Financial Services Private Limited (“**Dvara**”), (iv) Kinara Capital Private Limited (“**Kinara Capital**”), (v) Samunnati Financial Intermediation & Services



Private Limited (“**Samunnati**”), (vi) SATYA MicroCapital Limited (“**Satya**”), (vii) PT Esta Dana Ventura (“**Esta Dana**”), (viii) Lenana Innovative Solutions Limited (“**Lenana**”), (ix) EVN Finance Joint Stock Company (“**EVN Finance**”) and any other entity notified by the Issuer to the Bonds Trustee in a certificate signed by two directors of the Issuer certifying that (i) the Loan to such entity will not have a principal amount in excess of US\$14,400,000, (ii) the Loan to such entity will not (when aggregated with all of the other Loans) result in more than 60% of the principal amount of the Loans being allocated to Borrowers organized under the laws of a single jurisdiction, and (iii) such entity meets the following criteria (provided that entities that become Borrowers in reliance on satisfying the criteria in B. below shall in aggregate be allocated not more than 15% of the Loans):

Either:

A. an affiliate of one of the entities listed above;

or:

B. an entity that meets all of the following criteria:

- (i) is organized under the laws of or operating, directly or through affiliates, in Cambodia, India, Indonesia, Kenya, or Vietnam;
- (ii) demonstrates a clear commitment to/mission of empowering women as evidenced by either:
  - (a) serving beneficiaries of whom not less than seventy percent (70%) are underserved (low-income, rural, minority or economically disadvantaged) women; or
  - (b) committing to ring-fence the proceeds of the loan from the Issuer to impact beneficiaries a majority of which are women or girls;
  - (c) proactively targeting women beneficiaries in an industry in which women are underrepresented and thereby serves a total percentage of women beneficiaries that is higher than the industry standard; or
  - (d) has over 30% women ownership or representation in senior leadership positions; and
- (iii) meets the Portfolio Manager’s credit criteria which, among other things, requires that the entity have been in operation for a minimum of three years and have generated net profit in the most recently reported financial year.

“**Charged Accounts**” has the meaning given to it in the Trust Deed;

“**Collection Account**” means the U.S. Dollar account number 010011297802 in the name of the Issuer maintained with the Account Bank and any sub-account of such account;

“**Debt Service Reserve Account**” means the U.S. Dollar account number 010011297801 in the name of the Issuer maintained with the Account Bank and any sub-account of such account;

“**Funding Account**” means the U.S. Dollar account number 010011297800 in the name of the Issuer maintained with the Account Bank and any sub-account of such account;

“**Guarantee Fee Reserve Account**” means the U.S. Dollar account number 010011297803 in the name of the Issuer maintained with the Account Bank and any sub-account of such account.

“**Limited Guarantee**” means the portfolio guarantee agreement (Sida contribution no. 16699) dated November 22, 2023, made among Sida, the Issuer, and the Portfolio Manager;

“**Loans**” means the loans provided by the Issuer to the Borrowers using the proceeds of the issue of the Bonds and which have the benefit of a Limited Guarantee, and “**Loan**” shall mean any one of them;

**“Long-Stop Date”** means the date falling three years after the Maturity Date;

**“Permitted Hedging Agreement”** means any currency swap agreement, currency cap agreement, currency floor agreement, currency futures agreement, currency option agreement or any other similar agreement or arrangement entered into with a Permitted Hedging Counterparty for the purpose of protecting the Issuer from fluctuations in foreign exchange rates (in respect of Loans extended in a currency other than U.S. Dollars) and not for speculation;

**“Permitted Hedging Counterparties”** means MFX Solutions Inc. or any other financial institution of international standing that, at the time of entry into a Permitted Hedging Agreement, has a long term debt rating of no lower than “Baa3” by Moody’s, “BBB-” by S&P Global Ratings or “BBB-” by Fitch Ratings Ltd. (or, in each case, any affiliate or successor thereof);

**“Permitted Hedging Obligations”** means the obligations of the Issuer pursuant to Permitted Hedging Agreements;

**“Recovery Account”** means the U.S. Dollar account number 010011297804 in the name of the Issuer maintained with the Account Bank and any sub-account of such account (which, if applicable, will correspond to each Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof) and any Unfunded Amount);

**“Risk Retention Letter”** means the Risk Retention Letter dated on or around the Closing Date, addressed from the Subordinated Investor to the Issuer, the placement agents for the Bonds, the Bonds Trustee and the Security Trustee;

**“Senior Expenses”** means all fees, costs, charges, expenses, liabilities and other amounts described in paragraphs (1) and (2) of Condition 3.2(a)(v) but excluding any Initial Transaction Costs properly paid from the Funding Account pursuant to Condition 2.7(b)(ii);

**“Senior Expenses Cap”** means, in respect of each annual period the first of which shall begin on the Closing Date and end on the first anniversary of the Closing Date, and each subsequent such period shall begin on the day following the end of the previous period and end on the next following anniversary of the Closing Date, US\$1,030,000 per annum; **provided that** any unused amounts at the end of each annual period will be carried forward to the next annual period;

**“Sida”** means the Swedish International Development Cooperation Agency;

**“Sida Covered Amount”** means each amount paid by Sida to the Issuer in respect of a Covered Loan;

**“Sida Covered Loan”** means a Loan for which a Borrower has defaulted in any principal payment and Sida has, under the terms of the Limited Guarantee, paid the Issuer an amount in satisfaction of its guarantee obligation regarding such unpaid principal amount;

**“Special Redemption Principal Amount”** means, as at any date of determination with respect to (a) any Unfunded Amount, an amount equal to such Unfunded Amount; and (b) each Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof), an amount equal to:

$$A \times \frac{B}{C}$$

where:

A = the aggregate outstanding principal amount of the Bonds as of such date;

B = the outstanding principal amount of such Accelerated Loan (as applicable) as of such date; and

C = the aggregate outstanding principal amount of all Loans (including such Accelerated Loan) as of such date;

**“Special Redemption Date”** means the date fixed for redemption of the Bonds and/or Subordinated Debt (as applicable) as specified in the notice given by the Issuer pursuant to Condition 8.2(b), which date shall be:

- (a) in the case of an Unfunded Amount or a Loan falling within limb (b) of the definition of Accelerated Loan, within 60 days of the occurrence of that Special Redemption Event; and
- (b) in the case of a Loan falling within limb (a) of the definition of Accelerated Loan, within 210 days of the occurrence of that Special Redemption Event;

**“Special Redemption Event”** occurs if:

- (a) an Accelerated Loan (other than an Accelerated Loan described in limb (c) of the definition thereof) occurs or arises; or
- (b) an amount is transferred into a separate sub-account of the Recovery Account in accordance with Condition 2.7(c)(iii).

**“Special Redemption Notice”** means the notice given by the Issuer pursuant to Condition 8.2(b);

**“Subordination Agreement”** means the Subordination Agreement dated on or around the Closing Date, by and among the Issuer, the Bonds Trustee, the Security Trustee and the Subordinated Investor.

**“Subordinated Debt”** means the Issuer’s 6.25% subordinated notes in an aggregate principal amount of US\$12,000,000 (as such principal amount may be increased pursuant to the terms thereof), such notes being subordinated in right of payment to the Bonds as specified in these Conditions.

**“Subordinated Investor”** means IIX Women’s Catalyst Fund, L.P. or any permitted transferee of the Subordinated Debt.

**“Surplus Funds”** means all amounts received by the Issuer (including proceeds from the issue of the Bonds and from the Subordinated Debt and any repayment from the Borrowers pursuant to the terms of the Loans) which exceed the aggregate of all amounts payable to Bondholders (including principal and interest on the Bonds and any P&I Shortfall Amounts), net of:

- (a) without duplication, any amount payable by the Issuer pursuant to Conditions 3.2(a)(i) to 3.2(a)(xiii) (both inclusive) and/or Conditions 3.2(b)(i) to 3.2(c)(viii) (both inclusive); and
- (b) any amounts provided to the Borrowers as Loans,

in each case, as determined by the Portfolio Manager and notified in writing to the Agents and Bonds Trustee in accordance with the Portfolio Management Agreement;

**“Transaction Documents”** means each of the Trust Deed, the Agency Agreement, the Deed of Pledge and Charge, the Subordination Agreement, the Portfolio Management Agreement, the Letter of Engagement, the Corporate Officer and Loan Administration Agreement and the Risk Retention Letter.

**“Unfunded Amount”** means an amount transferred into a separate sub-account of the Recovery Account in accordance with Condition 2.7(c)(iii);

### 8.3 **Purchases**

The Issuer may at any time purchase Bonds in any manner and at any price. If purchases are made by tender, tenders must be available to all Bondholders alike.

### 8.4 **Cancellations**

All Bonds which are (a) redeemed or (b) purchased by or on behalf of the Issuer will forthwith be cancelled and accordingly may not be held, reissued or resold.

### 8.5 **Notices Final**

Upon the expiry of any notice as is referred to in Condition 8.2 the Issuer shall be bound to redeem the Bonds to which the notice refers in accordance with the terms of such Condition.

## 9. **PRESCRIPTION**

Claims in respect of principal (including Principal Shortfall Amounts) and interest (including Interest Shortfall Amounts) will become prescribed unless made within 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date.

In this Condition, “**Relevant Date**” means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Principal Paying Agent or the Bonds Trustee 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 Bondholders by the Issuer in accordance with Condition 13.

## 10. **EVENTS OF DEFAULT**

### 10.1 **Events of Default**

An “**Event of Default**” occurs if:

- (a) default is made in the payment of any principal (including Principal Shortfall Amounts, but not the creation of a Principal Shortfall Amount) or interest (including Interest Shortfall Amounts, but not the creation of an Interest Shortfall Amount) due in respect of the Bonds or any of them and the default continues for a period of 30 days;
- (b) any order is made by any competent court or resolution is passed for the winding up or dissolution of the Issuer;
- (c) the Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent;
- (d) (i) proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to the whole or any part of the undertaking or assets of the Issuer or an encumbrancer takes possession of the whole or any part of the undertaking or assets of the Issuer, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or any part of the undertaking or assets of the Issuer, and (ii) in any such case (other than the appointment of an administrator or an administrative receiver appointed following presentation of a petition for an administration order) unless initiated by the Issuer, is not discharged within 14 days;
- (e) the Issuer initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- (f) any security and/or the security interest created or purported to be created under the Deed of Pledge and Charge: (a) ceases to be; or (b) is claimed by the Issuer or any other party not to be in full force and effect (otherwise than in accordance with the Deed of Pledge and Charge).

### 10.2 **Consequences of an Event of Default**

- (a) *Insolvency*

If an Event of Default under paragraphs (b) to (e) (inclusive) of Condition 10.1 occurs, the outstanding principal amount of the Bonds and all accrued and unpaid interest shall automatically become due and payable.

(b) *Other Events of Default*

If an Event of Default under paragraphs (a) or (f) of Condition 10.1 occurs, while that Event of Default is continuing the Bonds Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution of the Bondholders shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction in its sole discretion), give notice to the Issuer that the Bonds are, and they shall accordingly forthwith become, immediately due and repayable at their principal amount, together with accrued interest as provided in the Trust Deed, **PROVIDED, HOWEVER, THAT** no remedy (including the giving of notice to the Issuer that the Bonds are immediately due and payable and/or the taking of any steps to enforce the security created under the Deed of Pledge and Charge) shall be exercisable with respect to the Event of Default if: (i) such Event of Default shall have arisen solely as the result of one or more breaches or defaults (including, without limitation, a payment default) under one or more Loans; and (ii) none of the Portfolio Manager, the Corporate Services Provider and the Loan Administrator shall have consented or contributed (whether in whole or in part) to any such breaches or defaults and shall have taken such commercially reasonable actions as are permitted or required under the Portfolio Management Agreement, the Letter of Engagement, the Corporate Officer and Loan Administration Agreement and the Limited Guarantee to enforce the rights and remedies of the Issuer under such Loans and the Limited Guarantee with respect to each such breach or default.

For the purposes of determining whether any remedy shall be exercisable in respect of the Event of Default, the Issuer shall promptly and in any event within seven days of the occurrence of an Event of Default deliver to the Bonds Trustee a certificate signed by two directors of the Issuer (or one director, if the Issuer has only one director at such time) confirming whether or not the conditions set out in (i) and (ii) above apply and provide details thereof, and the Bonds Trustee shall be entitled to accept the certificate as sufficient evidence (without further enquiry) of the satisfaction (or not) of the conditions set out in (i) and (ii) above, in which event it shall be conclusive and binding on the Bondholders.

### 10.3 Interpretation

For the purposes of this Condition:

**“Corporate Officer and Loan Administration Agreement”** means the Corporate Officer and Loan Administration Agreement dated November 8, 2023 entered into among (i) IIX, (ii) the Issuer, (iii) the Corporate Officer Provider and (iv) the Loan Administrator;

**“Corporate Officer Provider”** means CSCGFM Corporate Services (Singapore) Pte. Ltd. as corporate officer provider under the Corporate Officer and Loan Administration Agreement and/or any successor or additional corporate officer provider appointed in accordance with the Corporate Officer and Loan Administration Agreement;

**“Corporate Services Provider”** means Intercontinental Trust Ltd as corporate services provider under the Letter of Engagement and/or any successor or additional corporate service provider appointed in accordance with the Letter of Engagement;

**“Letter of Engagement”** means the Letter of Engagement dated July 4, 2023 entered into between (i) the Issuer and (ii) the Corporate Services Provider;

**“Loan Administrator”** means Intertrust Escrow Solutions Asia Pte. Ltd. as loan administrator under the Corporate Officer and Loan Administration Agreement and/or any successor or additional loan administrator appointed in accordance with the Corporate Officer and Loan Administration Agreement;

**“Portfolio Management Agreement”** means the portfolio management agreement dated on or around the Closing Date entered into between (i) the Issuer, (ii) the Bonds Trustee and (ii) the Portfolio Manager; and

**“Portfolio Manager”** means IIX as the portfolio manager appointed by the Issuer pursuant to the Portfolio Management Agreement, which expression shall include its successors and assigns.

## **11. ENFORCEMENT**

### **11.1 Enforcement by the Bonds Trustee and Security Trustee**

- (a) Subject to Condition 16, the Bonds Trustee may at any time, at its discretion and without notice, take such proceedings and/or other steps or action (including lodging an appeal in any proceedings) against or in relation to the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Bonds or otherwise, but it shall not be bound to take any such proceedings or other steps or action unless: (a) it has been so directed by an Extraordinary Resolution of the Bondholders or so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding; and (b) it has been indemnified and/or secured and/or pre-funded to its satisfaction in its sole discretion.
- (b) The Bonds Trustee may at any time, at its discretion and without further notice, direct the Security Trustee to take such steps or proceedings against the Issuer and/or any other person as it may think fit to enforce the provisions of the Trust Deed relating to the security, the Deed of Pledge and Charge or any other Transaction Document and may, at any time after the security has become enforceable in accordance with the provisions of the Deed of Pledge and Charge, direct the Security Trustee to take such steps as it may think fit to enforce the security, but it shall not be bound to give any such direction and the Security Trustee shall not be bound to take any such steps or proceedings unless:
  - (i) the Bonds Trustee shall have been so directed by an Extraordinary Resolution of the Bondholders or so requested in writing by Bondholders holding at least one-quarter in principal amount of the Bonds then outstanding; and (ii) each of the Bonds Trustee and the Security Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction in its sole discretion.
  - (ii) The Subordinated Investor holding more than twenty-five percent (25%) in principal amount of the Subordinated Debt may at any time after the payment in full of the Bonds, at their discretion and without further notice (but subject to the provisions of the Subordination Agreement), direct the Security Trustee to take such steps or proceedings against the Issuer and/or any other person as it may think fit to enforce the provisions of the Trust Deed relating to the security or the Deed of Pledge and Charge, and may, at any time after the payment in full in cash of the Bonds and after the security has become enforceable in accordance with the provisions of the Deed of Pledge and Charge, (but subject to the provisions of the Subordination Agreement) direct the Security Trustee to take such steps as it may think fit to enforce the security, but the Security Trustee shall not be bound to take any such steps or proceedings unless the Security Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction in its sole discretion.

### **11.2 Limitation on Bonds Trustee and Security Trustee Actions**

Each of the Bonds Trustee and the Security Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction. Furthermore, each of the Bonds Trustee and the Security Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

### **11.3 Enforcement by the Bondholders**

No Bondholder shall be entitled to: (i) take any steps or action against the Issuer to enforce the performance of any of the provisions of the Trust Deed, the Bonds or the Deed of Pledge and Charge; or (ii) take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer, in each case unless the Bonds Trustee or the Security Trustee (as the case may be), having become bound so to take any such action, steps or proceedings, fails so to do within a reasonable period and the failure shall be continuing.

## **12. REPLACEMENT OF CERTIFICATES**

Should any Certificate be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Registrar upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

## **13. NOTICES**

All notices to the Bondholders will be valid if mailed to them at their respective addresses in the Register. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange on which the Bonds are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published more than once, on the date of the first such publication. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Bonds Trustee may approve.

## **14. MEETINGS OF BONDHOLDERS, MODIFICATION, WAIVER, AUTHORISATION AND DETERMINATION**

### **14.1 Meetings of Bondholders**

The Trust Deed contains provisions for convening meetings of the Bondholders to consider any matter affecting their interests, including the modification or abrogation by Extraordinary Resolution of any of these Conditions or any of the provisions of the Trust Deed or the Portfolio Management Agreement. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing more than 50 per cent. in principal amount of the Bonds for the time being outstanding, or at any adjourned such meeting one or more persons present whatever the principal amount of the Bonds held or represented by him or them, except that, at any meeting the business of which includes the modification or abrogation of certain of the provisions of these Conditions and certain of the provisions of the Trust Deed, the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than three-quarters, or at any adjourned such meeting not less than one-quarter, of the principal amount of the Bonds for the time being outstanding. The Trust Deed does not contain any provisions requiring higher quorums in any other circumstances. An Extraordinary Resolution passed by the Bondholders will be binding on all Bondholders, whether or not they are present at any meeting and whether or not they voted on the resolution.

### **14.2 Modification, Waiver, Authorisation and Determination**

The Bonds Trustee may agree, without the consent of the Bondholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Transaction Documents to which it is a party, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such (**provided that**, in any such case, it is not, in the opinion of the Bonds Trustee, materially prejudicial to the interests of the Bondholders) or may agree, without any such consent as aforesaid, to any modification which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error.

### **14.3 Bonds Trustee to Have Regard to Interests of Bondholders as a Class**

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Bonds Trustee shall have regard to the general interests of the Bondholders as a class but shall not have regard

to any interests arising from circumstances particular to individual Bondholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Bondholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Bonds Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer, the Bonds Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders.

#### **14.4 Notification to the Bondholders**

Any modification, abrogation, waiver, authorisation, determination or substitution shall be binding on the Bondholders and, unless the Bonds Trustee agrees otherwise, any modification or substitution shall be notified by the Issuer to the Bondholders as soon as practicable thereafter in accordance with Condition 13.

#### **14.5 Consent of the Subordinated Investor**

Notwithstanding anything in Conditions 14.1 through 14.4 (inclusive) to the contrary, no modification of Condition 3.2 (other than a change that re-orders the relative priority of two or more creditors that are, and remain, senior to the Subordinated Investor under Condition 3.2) or Condition 11.1(b)(ii) may be made without the consent of the Subordinated Investor holding more than fifty percent (50%) in principal amount of the Subordinated Debt.

### **15. INDEMNIFICATION AND PROTECTION OF THE BONDS TRUSTEE AND THE SECURITY TRUSTEE AND THEIR CONTRACTING WITH THE ISSUER**

#### **15.1 Indemnification and Protection of the Bonds Trustee and the Security Trustee**

The Trust Deed contains provisions for the indemnification of the Bonds Trustee and the Security Trustee and for their relief from responsibility and liability towards the Issuer and the Bondholders, including: (i) provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction; and (ii) provisions limiting or excluding its liability in certain circumstances.

#### **15.2 Bonds Trustee and Security Trustee Contracting with the Issuer**

The Trust Deed also contains provisions pursuant to which each of the Bonds Trustee and the Security Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions without regard to the interests of, or consequences for, the Bondholders, and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

### **16. LIMITED RECOURSE AND NON-PETITION**

#### **16.1 Limited Recourse**

The rights of recourse of the Bondholders, the Bonds Trustee and the Security Trustee in respect of amounts due to them are limited to the assets of the Issuer.

None of the Bonds Trustee, the Security Trustee, the Portfolio Manager, the Corporate Services Provider, the Corporate Officer Provider, the Loan Administrator or any of their respective affiliates or any other person or entity (other than the Issuer) will be obligated to make payments on the Bonds.

Consequently, holders of the Bonds must rely solely on interest and principal payments on the Loans and payments received under the Limited Guarantee (and, with respect to payments to be made pursuant to Condition 8.2 in respect of an Unfunded Amount, amounts standing to the credit of the relevant sub-account of the Recovery Account, or to the credit of the Debt Service Reserve Account) for payments on the Bonds. If interest and principal payments on such Loans and payments received under the Limited Guarantee (and, with respect to payments to be made pursuant to Condition 8.2 in respect of an Unfunded



Amount, amounts standing to the credit of the relevant sub-account of the Recovery Account, or to the credit of the Debt Service Reserve Account) are insufficient to make payments on the Bonds, no other assets (in particular, no assets of the Portfolio Manager, the Bonds Trustee, the Security Trustee, the Corporate Services Provider, the Corporate Officer Provider, the Loan Administrator or any affiliates of any of the foregoing) will be available for payment of the deficiency, and all obligations of and any remaining claims against the Issuer in respect of the Bonds will be extinguished and will not revive.

## **16.2 Non-petition**

No Bondholder nor the Bonds Trustee or the Security Trustee may take any corporate action or other steps or legal proceedings for the winding-up, judicial management, dissolution, arrangement, reconstruction or reorganisation of the Issuer or for the appointment of a liquidator, receiver (including receiver and manager), administrator, trustee, judicial manager or similar officer in respect of the Issuer or over any or all of its assets or undertaking.

However, nothing shall prevent the Security Trustee from appointing a receiver over the Charged Accounts or from lodging a claim in any action or legal proceeding initiated by any person other than the Security Trustee for the winding-up, dissolution or re-organisation of, or for the appointment of a receiver, administrator, administrative receiver, examiner, trustee, liquidator, sequestrator or similar officer of, the Issuer or of any or all of its revenues and assets.

## **17. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

### **17.1 Governing Law**

The Trust Deed and the Bonds and any non-contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, English law.

### **17.2 Jurisdiction of English Courts**

The Issuer has, in the Trust Deed, irrevocably agreed for the benefit of the Bonds Trustee, the Security Trustee and the Bondholders that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed or the Bonds (including a dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed or the Bonds) and accordingly has submitted to the exclusive jurisdiction of the English courts.

The Issuer has, in the Trust Deed, waived any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Bonds Trustee, the Security Trustee and the Bondholders may take any suit, action or proceeding arising out of or in connection with the Trust Deed or the Bonds respectively (including any suit, action or proceedings relating to any non-contractual obligations arising out of or in connection with the Trust Deed or the Bonds) (together referred to as “**Proceedings**”) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

### **17.3 Sovereign Immunity**

The Issuer has in the Trust Deed irrevocably and unconditionally waived and agreed not to raise with respect to the Trust Deed and the Bonds any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and has irrevocably and unconditionally consented to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

## **18. RIGHTS OF THIRD PARTIES**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of a Bond, but this does not affect any right or remedy of any person which exists or is available apart from that Act.



## GLOBAL CERTIFICATES

*Each Global Certificate contains the following provisions which apply to the Bonds in respect of which they are issued while they are represented by the relevant Global Certificate, some of which modify the effect of the Conditions. Terms defined in the Conditions have the same meaning in the following paragraphs. The Bonds sold in offshore transactions in reliance on Regulation S will be represented by one or more global Regulation S certificates in fully registered form (the “**Regulation S Global Certificates**”). The Bonds sold within the United States to QIBs and QPs will be represented by one or more restricted global certificates in fully registered form (the “**Restricted Global Certificates**” and together with the Regulation S Global Certificate, the “**Global Certificate**”).*

### Exchange

Both Global Certificates will be exchangeable in whole but not in part (free of charge to the holder) for Certificates in definitive form for individual holdings of Bonds only if either Euroclear or Clearstream, Luxembourg (or any alternative clearing system as shall have been designated by the Issuer and notified to the Bonds Trustee on behalf of which the Bonds evidenced by either Global Certificate may be held) is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no alternative clearing system has been designated by the Issuer and notified to the Bonds Trustee.

### Payments

Payments of principal and interest in respect of Bonds represented by either Global Certificate will be made against presentation or, if no further payment falls to be made in respect of the Bonds, against presentation and surrender of either Global Certificate to the order of the Registrar or such other Agent as shall have been notified to the holder of both Global Certificate for such purpose.

Distributions of amounts with respect to book-entry interests in either Global Certificate held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the Registrar, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system’s rules and procedures.

A record of each payment made will be endorsed on the appropriate part of the schedule to the relevant Global Certificate by or on behalf of the Registrar and shall be *prima facie* evidence that such payment has been made.

### Accountholders

For so long as all of the Bonds are represented by a Global Certificate and the Global Certificate is held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of such Bonds (each an “**Accountholder**”) (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Bonds standing to the account of any person shall, in the absence of manifest error, be conclusive and binding for all purposes) shall be treated as the holder of such principal amount of such Bonds for all purposes (including but not limited to, for the purposes of any quorum requirements of, or the right to demand a poll at, meetings of the Bondholders) other than with respect to the payment of principal and interest on such principal amount of such Bonds, the right to which shall be vested, as against the Issuer and the Bonds Trustee, solely in the nominee for the relevant clearing system (the “**Nominee**”) in accordance with and subject to its terms and the terms of the Trust Deed. Each Accountholder must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of each payment made to the Nominee.

### Notices

Subject to the “Transfer Restrictions and Investor Representations” contained in the Information Memorandum, and for so long as all of the Bonds are represented by a Global Certificate and the Global Certificate is held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Bondholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relevant Accountholders rather than by publication as required by Condition 13. Any such notice shall be deemed to have been given to the Bondholders on the second day after the day on which such notice is delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) as aforesaid.

**Cancellation**

Cancellation of any Bond represented by a Global Certificate and required by the Conditions to be cancelled following its redemption or purchase by the Issuer will be effected by reduction in the principal amount of the Bonds in the Register and by annotation (for information purposes only) on the relevant part of the schedule to the relevant Global Certificate.

**Transfers**

Transfers of interests in the Bonds represented by a Global Certificate shall be made in accordance with the detailed regulations concerning transfers of Bonds set forth in the Agency Agreement.

Transfers of interests in the Bonds represented by a Global Certificate shall be effected through the records of Euroclear and Clearstream, Luxembourg and their respective participants in accordance with the rules of procedures of Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants.

**Governing Law**

Both Global Certificates and any non-contractual obligations arising out of or in connection with either Global Certificate are governed by, and shall be construed in accordance with, English law.

## DESCRIPTION OF CERTAIN MATERIAL AGREEMENTS

### Loans

The proceeds of the issuance of the Bonds will be used in part to extend the Loans to the Borrowers, as summarized in the table below. The Loans will be extended to specific Borrowers subsequent to the closing of the issue of the Bonds, and until such time the amount of each Loan may be reallocated among the Borrowers at the Issuer's discretion. In the event that within 120 days of the closing of the issue of the Bonds any of the Loans is not extended to the Borrowers, any undisbursed proceeds held by the Issuer related to such Loan will be distributed pro rata as a prepayment of principal to the Bondholders and the holder of the Subordinated Indebtedness.

A summary of the Loans is presented below:

Borrowers	Currency	Principal Amount	Security
		(US\$) <sup>(1)</sup>	
First Finance	USD	10,000,000	Unsecured
Ananya	INR	8,000,000	Client receivables
Dvara	INR	14,400,000	Client receivables
Kinara Capital	INR	14,400,000	Client receivables
Samunnati	INR	9,000,000	Client receivables
Satya	USD	11,400,000	Client receivables
Esta Dana	IDR	7,000,000	Unsecured
Lenana	USD	12,000,000	Client receivables, promoter shares, personal guarantee, debt service reserve account, promoter loans to be subordinated
EVN Finance	USD	10,000,000	Unsecured
<b>TOTAL</b>		<b>96,200,000</b>	

- (1) We may find it necessary to reallocate the amounts from what has been described above, including reallocation of the loan amounts among the Borrowers set forth above or reallocation of the loan amounts to Borrowers other than those set forth above. See "Use of Proceeds."

The Loans are non-convertible debt instruments and are full recourse to the Borrowers. The Loans are unsecured except as indicated in the table above. The Loans are non-guaranteed (other than the Limited Guarantee, to which the investors have no recourse). The Loans will contain customary provisions, including representations and warranties, reporting obligations, and indemnification protections. In addition, the Loans will contain affirmative and negative covenants that will, *inter alia*, limit each Borrower's ability to enter into certain business transactions, such as consolidations, mergers and sales of assets, restrict each Borrower's ability to incur indebtedness, and require each Borrower to maintain certain financial standards during the term of the Loans. Furthermore, in order to incentivize certain Borrowers to enhance their positive impact on women clients, suppliers, or employees, the Loans to such Borrowers will incorporate gender and climate action plans such as limiting the use of proceeds to certain gender- or climate-focused ends.

The Loans will be denominated in U.S. dollars, Indonesian rupiah, and Indian rupees.

The Loans will each have a term of slightly less than four years and will mature approximately 14 days before the Maturity Date.

Initial principal amounts of each Loan and interest thereupon will vary, ranging from principal amounts of US\$7,000,000 to US\$14,400,000 or the equivalent in local currency (in each case, the "**Loan Principal Amount**") and annual fixed interest rates of 8.75 to 12.5% on the Loans denominated in U.S. dollars and of higher fixed interest rates on the Loans denominated in other currencies (in each case, the "**Base Rate**"). The Issuer will also collect a one-time administrative fee upon disbursement of all Loans of up to 1.1% of the Loan Principal Amount.

The Base Rate will be calculated on the outstanding Loan Principal Amount of any Loan (which shall include any accrued and unpaid interest) on the basis of a 365-day year (or 366 in a leap year), and payable on a quarterly basis. Interest on any overdue amount shall be charged at a premium of 2.00% to 3.00% above the Base Rate (in each case, the **“Loan Default Rate”**). Should an event of default occur as described in the Loans, the entire outstanding balance of the Loan (including, without limitation, any overdue principal and interest) shall bear interest at the Loan Default Rate until such time as such event of default shall have been cured.

The Loans do not allow prepayment of the Loan Principal Amount without the consent of the Issuer.

The Loans will be governed by English law.

### **The Limited Guarantee**

The Issuer shall benefit from the Limited Guarantee, which is a partial guarantee provided by Sida of 40% of the net losses of principal incurred by the Issuer as a result of non-payment of principal on the Loans subject to certain qualification, concentration and other requirements, a maximum payment amount of 40% of the principal amount of each such Loan, and other conditions and limitations. The Issuer intends for all of the Loans it makes to be guaranteed under the Limited Guarantee.

The following is a summary of the terms and conditions of the Limited Guarantee. Investors should refer to the copy of the Limited Guarantee agreement set out in Appendix B to this Information Memorandum for further details of the terms and conditions of the Limited Guarantee.

Sida is Sweden’s government agency for development cooperation. Sida’s mission is to create opportunities for people living in poverty and under oppression to improve their living conditions. Sida offers a guarantee instrument designed to share risk with public and private actors in order to mobilize additional capital and bring in new partners to reach development impact. The purpose of Sida’s guarantee instrument is to promote sustainable development, inclusive economic growth and poverty reduction by unlocking existing financial resources and facilitating access to credit. Guarantees may be used in all sectors as a strategic and cost-effective instrument within the scope of any Swedish Development Cooperation Strategy. In regional and global contributions, guarantees are used to meet global challenges and reach a wider impact for Sweden’s thematic priorities, namely economically, socially and environmentally sustainable and climate friendly development as well as human rights and democratization.

Pursuant to the terms of the Limited Guarantee, Sida will reimburse up to 40% of the Issuer’s net losses of principal resulting from the non-payment of principal due under certain eligible loans, as described in the Limited Guarantee (the **“Eligible Loans”**). The inclusion of an Eligible Loan as a Loan to be covered by the Limited Guarantee (**“Guaranteed Loan”**; all such Loans on any given date, the **“Guaranteed Portfolio”**) is to be evidenced by the inclusion of such Loan in the reporting to be drawn up by the Issuer as of a semiannual cut-off date following the signing date for such Loan and delivered to Sida. If such Loan is not included in such reporting, it will no longer be capable of becoming a Guaranteed Loan. Sida can withdraw a Guaranteed Loan from the Guaranteed Portfolio that did not qualify, or under certain other conditions. Doing so entitles Sida to refuse to pay any claim amount in relation to such Loan (or, if a claim amount has been paid, to require that it be repaid to Sida).

The Issuer can request to utilize the Limited Guarantee in the event the Borrower under a Guaranteed Loan fails to pay the full principal amount within 90 days after the Guaranteed Loan has become immediately due and payable and reasonable collection efforts have been diligently pursued during that time, among other conditions. The amount paid under the Limited Guarantee for such Guaranteed Loan will be 40% of the principal remaining unpaid under such Guaranteed Loan (the **“Claim Amount”**). If the Guaranteed Loan is not in U.S. dollars, the Claim Amount is (1) in the case of a Guaranteed Loan for which the Issuer has entered into a cross-currency swap to hedge its foreign exchange risk on or prior to the disbursement of the Guaranteed Loan, the USD notional amount specified in the confirmation for such swap, and (2) in all other cases, by conversion into U.S. dollars based on the exchange rate on the date the related Loan was disbursed. The Claim Amount shall not exceed the lesser of US\$38,480,000 and SEK453,679,200, in each case less the aggregate amount of Claim Amounts paid or in the course of being paid (and with U.S. dollar amounts being converted, for the purpose of the Swedish krona maximum amount, into Swedish krona using the exchange rates on the date the related Loans were disbursed) by Sida to the Issuer under the Limited Guarantee. The period during which the Issuer is entitled to request coverage under the Limited Guarantee will terminate on the earlier of (1) the first anniversary date following the final

maturity date of the Guaranteed Loan having the latest final maturity date, (2) four and a half years from the date of the Limited Guarantee agreement, and (3) termination due to the occurrence of certain termination events.

If after a Sida Claim Amount has been paid the Issuer recovers new amounts under the Guaranteed Loan (including by way of set-off or pursuant to the enforcement of any security interest or guarantee or after the exercise of any recourse), the Issuer shall pay to Sida 40% of the amount so recovered after reasonable collection costs and expenses.

Under the Limited Guarantee, default interest accrues from day to day on unpaid balances due under the Limited Guarantee at a rate of the relevant base rate as determined by Sida plus 2.0% per annum.

Under the terms of the Limited Guarantee, the maximum aggregated, cumulative principal amount of all Guaranteed Loans covered under the Limited Guarantee is US\$96,200,000. In consideration of Sida's guarantee commitment, the Issuer will pay to Sida a fee of US\$1,152,000, paid in five equal annual installments, with the first payment due 45 days after the date of the Limited Guarantee.

The Issuer and Portfolio Manager are subject to certain covenants under the Limited Guarantee, such as ensuring that certain key individuals (1) have direct or indirect control over the Issuer and Portfolio Manager and (2) devote the majority of their professional time to the Issuer and/or the Portfolio Manager.

### **The Portfolio Management Agreement**

See "*Description of the Portfolio Manager and Other Parties – The Portfolio Manager – The Portfolio Management Agreement*" below.

### **The Trust Deed and the Deed of Pledge and Charge**

See "*Terms and Conditions of the Bonds*" above.

### **The Subordinated Indebtedness**

The Subordinated Indebtedness is indebtedness of the Issuer in the principal amount of US\$12,000,000 (as such principal amount may be increased pursuant to the terms thereof) to be incurred pursuant to one or more promissory notes in such aggregate principal amount to be dated December 21, 2023 payable to the Subordinated Investor. The Subordinated Indebtedness is secured by the Deed of Pledge and Charge between the Issuer and the Security Trustee. Such promissory notes are governed by New York law. Interest is payable on such notes at the rate of 6.25% per annum in arrears on each Bond Payment Date, and is capitalized semi-annually if not paid currently. In addition, the Subordinated Indebtedness provides that the Subordinated Investor is entitled to receive an amount equal to the amount payable to it pursuant to Condition 3.2(a)(xiv) or 3.2(c)(ix) as deferred interest on the Subordinated Indebtedness (the "**Subordinated Indebtedness Deferred Interest**"). The Subordinated Indebtedness matures on the Maturity Date. Such notes are subject and subordinate to the Bonds, and are payable as and when provided pursuant to a certain Subordination Agreement dated on or about the Closing Date, by and among the Issuer, the Security Trustee, the Bonds Trustee and the Subordinated Investor (the "**Subordination Agreement**"). The notes provide that, to the extent provided for in the Subordination Agreement, with limited exceptions the Subordinated Investor has no right to exercise default remedies until the Bonds shall have been paid in cash and in full, and no right to petition for or vote for the commencement or continuation of any bankruptcy or insolvency proceeding pertinent to the Issuer. The notes further provide that, to the extent provided for in the Subordination Agreement, any claim against or dividend in bankruptcy payable by the bankruptcy estate of the noteholders is subject to release if and only if the Bonds shall have been paid in cash and in full. The notes further provide that, to the extent provided for in the Subordination Agreement, the Subordinated Investor waives irrevocably any right to question the legality, enforceability or priority of payment of the Bonds.

As the Subordinated Indebtedness is unlikely to qualify as "qualifying debt securities" in Singapore, interest paid on the Subordinated Indebtedness would ordinarily be subject to withholding tax if such payments are made to a person not known to be a resident in Singapore for tax purposes. The withholding tax implications are more particularly described in the section "*Singapore Taxation*." If any deduction or withholding for any tax is required in respect of any amounts to be paid by the Issuer, such amounts paid by the Issuer shall be paid net of such deduction or withholding for tax. For the avoidance of doubt, the Issuer will not pay any additional amounts as may be necessary in order that the net amounts received by the Subordinated Investor after such deduction or

withholding will equal the amounts that would have been received in the absence of such deduction or withholding. See “*Risk Factors — Risks Related to the Bonds — Risks Related to Taxation.*”

The Subordinated Investor is IIX Women’s Catalyst Fund, L.P., a Cayman Islands exempted limited partnership formed and registered on 23 September 2020. The Portfolio Manager will provide investment advice to the Subordinated Investor pursuant to a management agreement. As of the date hereof, the Portfolio Manager is the beneficial owner of 100% of the equity interests in the Subordinated Investor. The Subordinated Investor will fund the Subordinated Indebtedness with the proceeds of a term loan provided to it by the United States International Development Finance Corporation as well as other funds.



## DESCRIPTION OF THE PORTFOLIO MANAGER AND OTHER PARTIES

*The information relating to the Portfolio Manager contained in this section headed “Description of the Portfolio Manager and Other Parties” has been provided by the Portfolio Manager. To the best of the knowledge and belief of the Portfolio Manager, this information is in accordance with the facts and does not omit anything likely to affect the import of such information.*

### The Portfolio Manager

#### OVERVIEW

The Portfolio Manager will perform certain management functions with respect to the Loans for the Issuer in accordance with the Portfolio Management Agreement. The Portfolio Manager was founded on March 26, 2009 as a private limited company incorporated and registered in Singapore, registration number 200905347D. The Portfolio Manager’s registered office is at 16 Collyer Quay, #20-01, Income at Raffles, Singapore 049318.

The Portfolio Manager’s mission is to build a more inclusive world by changing financial systems and innovating solutions for women’s empowerment, climate action, and community resilience. It operates various platforms to assist impact enterprises — for-profit and not-for-profit entities with social missions in sectors such as agriculture, clean technology, renewable energy, education, healthcare and microfinance—with raising investment capital across various phases of their life cycle. Some of the Portfolio Manager’s platforms include:

- (i) *Women’s Livelihood Bond (WLB) Series*, innovative financial mechanisms that mobilize large-scale capital for gender lens investments. IIX’s first Women’s Bond was the WLB1 Bond, a listed debt security that funded a group of women-focused enterprises to empower over 453,074 women across Southeast Asia to transition to sustainable livelihoods and was redeemed in full at its maturity on July 6, 2021. IIX is currently acting as portfolio manager for the WLB2, the WLB3, the WLB4Climate and WLB5. To date, the Portfolio Manager and its partners have raised a total of US\$128 million from accredited investors for the first five Bonds in the WLB Series including a mix of institutional investors, private banking clients and high net worth individuals from North America, Europe, Asia and Oceania.
- (ii) *Impact Partners*, a private, online platform that connects impact investors with a select group of pre-screened impact enterprises seeking investment capital.

As of August 31, 2023, the Portfolio Manager has facilitated investments of approximately US\$295 million to impact over 159 million individuals in emerging markets.

#### THE PORTFOLIO MANAGEMENT AGREEMENT

The Portfolio Manager will enter into a Portfolio Management Agreement with the Issuer.

Pursuant to the Portfolio Management Agreement, the Issuer will appoint the Portfolio Manager to act as its agent and provide certain services in relation to the management of the Loans. The Issuer may delegate to the Portfolio Manager the exercise of some or all of its rights, powers and discretions in relation to the Loans.

The Portfolio Manager will be responsible for (i) selecting and evaluating potential Borrowers, including overseeing due diligence and credit review processes, (ii) negotiating terms and conditions of the Loans on behalf of the Issuer, (iii) monitoring Borrowers’ compliance with their obligations under the Loans, including taking appropriate actions or initiating enforcement actions on behalf of the Issuer as necessary, (iv) preparing reports on behalf of the Issuer for Bondholders and for any exchange on which the Bonds may be listed, including confirmations of the retention by the Subordinated Investor of a material net economic interest in accordance with Article 6 of the EU Securitisation Regulation and Article 6 of the UK Securitisation Regulation and information provided with a view to satisfying certain of the requirements under Article 7(1) of each Securitisation Regulation, and (v) managing all reporting, monitoring and compliance obligations of the Issuer under the terms of the Limited Guarantee. The Portfolio Manager may at its own cost and expense, sub-contract the performance of some (but not all) of its obligations under the Portfolio Management Agreement to any eligible person or entity as set out in the Portfolio Management Agreement, including the Corporate Services Provider and the Loan Administrator. The Issuer will pay the Portfolio Manager (i) a one-time structuring fee of 1.50% of the aggregate amount of capital raised through the sale of the Bonds and the Subordinated Indebtedness, and (ii) annual fees of 0.75% of the aggregate amount of capital raised through the sale of the Bonds and the Subordinated Indebtedness, consisting of: (a) an administrative fee of 0.25% of such amount, (b) a financial monitoring fee of 0.25% of such amount,

and (c) an impact monitoring fee of 0.25% of such amount (collectively, the “**Annual Fees**”). The Issuer will pay the Annual Fees to the Portfolio Manager on a quarterly basis, in arrears and on a prorated basis, until the Bonds are redeemed. The Portfolio Manager may use all or a portion of the Annual Fees to pay any third parties to which it delegates its obligations to perform services under the Portfolio Management Agreement. The Issuer shall also reimburse the Portfolio Manager, upon presentation of proper expense statements, for all ordinary and necessary out-of-pocket expenses reasonably incurred by it in connection with the establishment of the Issuer, the issuance of the Bonds and for the performance of the services under the Portfolio Management Agreement. An amount equal to 70% of any surplus funds remaining in the Accounts after the Issuer has fulfilled all of its payment obligations (other than the obligation to pay the Subordinated Indebtedness Deferred Interest) upon maturity of the Bonds and the Subordinated Indebtedness will be paid to the Portfolio Manager as a deferred performance fee.

IIX, as the initial Portfolio Manager, may transfer its rights and obligations under the Portfolio Management Agreement to an affiliate of IIX. After such transfer, such affiliate would serve as the Portfolio Manager.

## THE SELECTION AND INVESTMENT PROCESS

The Portfolio Manager uses a systematic approach to credit selection and portfolio management in accordance with the Portfolio Manager’s credit policy and procedures. The Portfolio Manager adheres to a formal credit policy that defines, *inter alia*, applicable lending criteria, portfolio limits, approval procedures, control systems, monitoring and compliance.

In selecting the Borrowers for the Loans, the Portfolio Manager has undertaken the following selection and investment process and obtained the approval of its investment committee for this transaction (the “**Investment Committee**”) (details of which are set out herein) at each of the following three stages:

### *Pre-Screening*

The Portfolio Manager started by identifying potential borrowers that are able to meet certain preliminary criteria that will allow payment of reasonable risk-adjusted returns to investors as well as create significant positive impact. The Portfolio Manager tapped its existing databases and partner networks to identify potential borrowers and compiled information on potential borrowers using both public and private information. Both qualitative and quantitative criteria were used to analyse the potential borrowers, which include, *inter alia*:

- *Country-level considerations* such as country outlook, sector regulation, local market potential and currency volatility;
- *Financial criteria* such as profitability, leverage, key shareholders or funding partners, and portfolio quality; and
- *Impact criteria* such as social and/or environmental mission, proportion of women beneficiaries, and positive impact on women’s livelihoods.

The Portfolio Manager then contacted the preliminary shortlisted entities to gauge interest. Entities that were interested to move forward with the due diligence process signed a retainer letter authorizing the Portfolio Manager to conduct a due diligence review and agreeing to pay certain fees to and to cover certain expenses of the Portfolio Manager.

### *Due Diligence*

The Portfolio Manager prepared and sent pre-due diligence questionnaires to the potential borrowers ahead of due diligence meetings conducted telephonically and through video conference. Site visits, which were mainly virtual but in some instances were conducted by third-party consultants and by IIX staff in-person, and beneficiary interviews conducted in-person as well as via video conference and digital surveys supplemented the meetings to view the borrowers’ operations and to validate the information provided. Based on the information gathered during the meetings, and the virtual site visits, and the virtual beneficiary interviews, the Portfolio Manager conducted a deeper review of each of the potential borrowers, including analyzing each of the potential borrowers’ financial position and capacity to repay the proposed loan. The Portfolio Manager also conducted an analysis of each of the potential borrowers’ social and environmental impact. Credit write-ups on shortlisted borrowers were prepared and presented to the Investment Committee for review along with analyses of the portfolio composition and a recommendation to include or exclude each borrower in the transaction.

## Documentation

Upon approval from the Investment Committee, a formal loan financing proposal was sent to each of the borrowers outlining the contemplated terms and conditions of the proposed Loan. The Investment Committee has reviewed the final terms under which the Loans are proposed to be issued. The Loans are expected to be finalized and executed promptly following the issuance of the Bonds, subject to any required approvals. The Portfolio Manager will confirm the fulfillment of any conditions precedent prior to the disbursement of the Loans.

### The Investment Committee

Information regarding the background and experience of the members of the Investment Committee is set out below.

*Durreen Shahnaz* is the Founder, CEO and Chairwoman of the board of the Portfolio Manager and the Managing Director of IIX Global Charitable Limited. In a career spanning over three decades, Durreen has worked as a banker, media executive, academic, and social entrepreneur with stints at Morgan Stanley, Merrill Lynch, Grameen Bank, International Finance Corporation, Hearst Magazines International, Readers Digest and Asia City Publishing. She also founded, ran and sold oneNest, a social enterprise and global marketplace for handmade goods. Durreen founded the Program for Social Innovation and Change at the Lee Kuan Yew School of Public Policy, National University of Singapore and was an Adjunct Associate Professor. Durreen received the 2019 Sustainability Superwoman award from CSR Works, the 2017 Oslo Business for Peace Award, often referred to as the “Noble Peace Price for Business,” and was awarded the 2016 Asia Game Changer Award by the Asia Society, in addition to the prestigious Joseph Wharton Social Impact Award in 2014 given by the Wharton School of University of Pennsylvania. Additionally, she currently serves as a member of the Global Advisory Council of the Asia Society and previously served on the advisory boards for UNDP, United Nations ESCAP, and the G20 Steering Committee for Impact Investing, and was an appointed member of the World Economic Forum’s Global Agenda Council. She has been a program advisor to the Clinton Global Initiative and a 2010 TED fellow. Durreen holds a BA from Smith College and a joint MBA from the Wharton School at the University of Pennsylvania and MA from the School for Advanced International Studies at Johns Hopkins University. Durreen is the wife of Robert Kraybill.

*Robert Kraybill* is Managing Director, Portfolio Management, Chief Investment Officer, and a member of the board of the Portfolio Manager and Treasurer and a member of the Board of IIX Global Charitable Limited. Prior to joining the impact investing movement, Robert spent nearly 20 years in the traditional capital markets as an advisor and investor, most recently as head of private finance in Asia for Marathon Asset Management until 2008. Before joining Marathon Asset Management, Robert was head of investment banking, Asia ex-Japan, for Dresdner Kleinwort Wasserstein. Robert began his career at Morgan Stanley, Credit Suisse and Wasserstein Perella. In addition to his work at the Portfolio Manager and IIX Global Charitable Limited, Robert has been a member of Singapore’s “President’s Challenge Social Enterprise Awards” Committee. He also acts as Senior Advisor to Asian Tiger Capital, an innovative financial services firm in Bangladesh offering research, advisory and asset management services. Robert holds a B.A. *magna cum laude* from Princeton University, and a J.D. *summa cum laude* from the University of Pennsylvania Carey Law School. Robert is the husband of Durreen Shahnaz.

*Kalpana Raina* is Managing Partner of 252 Solutions, LLC, an advisory firm that specializes in strategic development and implementation. Kalpana’s current focus is the Social Enterprise sector in Asia with co-investments in selected transactions. A banker for twenty years, Kalpana has considerable industry experience in both traditional and digital media, information and entertainment services, telecommunications and the financial services industry. Kalpana was previously Executive Vice President and Head of European Country Management and Corporate Banking at The Bank of New York. Kalpana’s board tenures have all involved dynamic strategic shifts to new technologies, content creation and delivery systems, as old business models have been disrupted. Kalpana holds director positions at John Wiley & Son, Yellow Pages Limited, Information Services Group Inc., The World Policy Institute (WPI) and STA Consulting. Kalpana is also currently a member of the International Advisory Board of ODX, Women Corporate Directors and The National Association of Corporate Directors. Kalpana holds a B.A. degree Honors degree from the Panjab University, India and an M.A. degree in English Literature from McMaster University. Kalpana is currently a member of IIX’s advisory board and a director of IIX Foundation USA. Kalpana joined the Investment Committee in April 2019.

*David K. Musto* is the Ronald O. Perelman Professor in Finance and faculty director of the Stevens Center for Innovation in Finance at the Wharton School at the University of Pennsylvania, where he has been on the faculty since 1995. David served as Senior Financial Economist at the Securities Exchange Commission from 2005 to

2007, and is on the advisory board of Human Interest. David has a B.A. from Yale University and a Ph.D. from the University of Chicago, and between college and graduate school David worked for Roll and Ross Asset Management in Culver City, CA. Most of David's work, both theoretical and empirical, is in the area of consumer financial services, mutual funds and consumer credit in particular. David has also published work on corporate and political voting, option pricing, short selling, and cross-border taxation. David is currently a member of IIX's advisory board and joined the Investment Committee in April 2019.

*Muhit U. Rahman* is co-founder and Partner of LWPartners Capital Group, LLC. Prior to this, Muhit served as a Principal at Arcade Partners LLC which he co-founded in November 2003. From November 1993 to 2009, Muhit served as a Managing Director at Washington & Congress Managers and was responsible for negotiating, monitoring and exiting numerous transactions. Muhit also served as a Co-Head of Corporate Finance at Dabney, Resnick & Wagner, Inc. from 1990 to 1993 and served as Vice President in the corporate finance and high yield bond departments at Drexel Burnham Lambert (now New Street Capital Corporation) from 1987 to 1990. Earlier, before his career in finance, Muhit was an Engineering Manager at M/A-Com PHI, Inc. He is also co-founder of several companies including KapStone Paper & Packaging Corporation, where he served as director from April 15, 2005 to May 27, 2010. Muhit received a B.S., *summa cum laude*, Phi Beta Kappa from Yale University and an M.B.A. from the Anderson School of Management at the University of California at Los Angeles. Muhit is currently a member of IIX's advisory board and joined the Investment Committee in April 2019.

### **The Corporate Services Provider**

The Issuer has appointed Intercontinental Trust Ltd (the “**Corporate Services Provider**”) to act as the management company and corporate secretary of the issuer, on July 4, 2023, and entered into a Letter of Engagement with the Corporate Services Provider for the performance of, inter alia, certain administrative services for the Issuer, including corporate secretary, accounting, tax, cash management, and customer due diligence services, as well as certain compliance-related services. The Corporate Services Provider will also provide a majority of the members of the board of directors of the Issuer.

### **The Corporate Officer Provider and the Loan Administrator**

The Issuer has appointed CSCGFM Corporate Services (Singapore) Pte. Ltd. to act as the Corporate Officer Provider (the “**Corporate Officer Provider**”) and Intertrust Escrow Solutions Asia Pte. Ltd. to act as Loan Administrator (the “**Loan Administrator**”). On November 8, 2023, IIX and the Issuer entered into a Corporate Officer and Loan Administration Agreement with the Corporate Officer Provider and the Loan Administrator to provide (in the case of the Corporate Officer Provider) one independent nominee director and (in the case of the Loan Administrator) loan administration services such as setting up individual loans, monitoring disbursements, managing loan records, liaising with Borrowers about interest payments (and related matters), and ensuring that payments are received.

## FOREIGN EXCHANGE HEDGING ARRANGEMENTS

*The following section consists of a summary of certain provisions which are expected to be contained in each Hedging Agreement (as defined below). Such summary does not purport to be complete and is qualified by reference to the detailed provisions of each Hedging Agreement. The terms of a Hedging Agreement may differ from the description provided herein.*

### Foreign Exchange Hedge Agreements

The Issuer will enter into one or more foreign exchange hedging arrangements (each a “**Hedging Agreement**”) with MFX Solutions, Inc. or other financial institution of international standing that, at the time of entry into a Hedging Agreement, has a long term debt rating of no lower than “Baa3” by Moody’s, “BBB-” by S&P Global Ratings and “BBB-” by Fitch Ratings Ltd. (or, in each case, any affiliate or successor thereof) (a “**Hedging Counterparty**”). Each Hedging Agreement will be used by the Issuer to reduce its exposure to exchange rate risks relating to non-USD Loans.

The Issuer is expected to enter into a separate Hedging Agreement for each non-USD Loan, on or about the time the non-USD Loan is made.

The Issuer will enter into a fee arrangement with MFX pursuant to which the Issuer will be obligated to deposit with MFX an amount based on a specified percentage of the notional amount of outstanding Hedging Agreements.

### *Payments Under the Hedging Agreements*

Pursuant to each Hedging Agreement to be entered into, it is expected that the Issuer will receive defined amounts in USD in exchange for the USD equivalent (at the time of settlement) of defined amounts in the relevant local currency. Specifically, on a quarterly basis, the Hedging Counterparty will be obligated to pay to the Issuer a fixed rate payment on a specified USD notional amount at a fixed rate and the Issuer will be obligated to pay to the Hedging Counterparty the USD equivalent of a fixed rate payment on a specified foreign currency amount corresponding to the relevant non-USD Loan at a fixed rate. In addition, on the final payment date of the Hedging Agreement, the Hedging Counterparty will be obligated to pay the Issuer the specified USD notional amount and the Issuer will be obligated to pay to the Hedging Counterparty the USD equivalent of the specified local currency notional amount. These USD payments will be exchanged on a net basis under the Hedging Agreement (a so-called “non-deliverable” settlement).

It is expected that the Hedging Agreement will be structured so that the Issuer’s payment obligations under the Hedging Agreement will generally match the amounts and timing of payments it expects to receive under the relevant non-USD Loan.

The USD equivalent of the relevant local currency amounts will be determined as of a defined valuation date preceding each payment date under the Hedging Agreement, using a published reference exchange rate between USD and the local currency. The Hedging Agreement specifies certain fallbacks that may apply if the relevant USD/local currency exchange rate is not available on the relevant date or certain other disruptions occur. These fallbacks may result in use of an alternate price source, postponement of the relevant valuation date (for up to a maximum period), which will result in a postponement of settlement payments under the Hedging Agreement, and/or determination of the relevant rate by the Hedging Counterparty as calculation agent.

### Early Termination

Each Hedging Agreement will be subject to early termination under certain circumstances.

### *Defaults Under the Hedging Agreements*

Events of default under the Hedging Agreements will include among other things: (i) the failure to make payments under the Hedging Agreements, (ii) the occurrence of certain bankruptcy or insolvency events of the Issuer or the Hedging Counterparty, and (iii) certain other standard events of default including misrepresentation, breach of covenant, default by the Issuer or Hedging Counterparty under other debt, or merger by the Issuer or Hedging Counterparty without assumption of its obligations under the Hedging Agreement.

### *Termination Events Under the Hedging Agreements*

Termination Events under the Hedging Agreements will include, among other things: (i) the Issuer being rated “uncreditworthy” by MicroRate, Luminis or Microfinanza, (ii) the early termination of the underlying non-USD Loan, (iii) the termination of certain hedging arrangements of the Hedging Counterparty, (iv) breach by the Issuer of certain obligations with regard to the related non-USD Loans, and (iv) certain other standard termination events including the illegality of the transactions contemplated by the Hedging Agreement and merger or consolidation of the Issuer or the Hedging Counterparty with or into an entity with a materially weaker creditworthiness.

#### *Early Termination of the Hedging Agreements*

Upon the occurrence of any event of default or termination event specified in the Hedging Agreement, the non-defaulting or non-affected party may elect to terminate the Hedging Agreement. In that case, a termination payment (a “**Hedge Termination Payment**”) will be owed by either the Issuer or the Hedging Counterparty to the other based on the mark-to-market or replacement value of the Hedging Agreement at the time. The Issuer also may enter into a replacement Hedging Agreement. Any cost attributable to entering into a replacement Hedging Agreement that exceeds the amount of any termination payment due under the terminated Hedging Agreement will be borne by the Issuer. In such case, the amount available to make payments to Holders of the Bonds may be reduced.

## **TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS**

### **General**

The distribution of this Information Memorandum or any offering material and the offering, sale or delivery of the Bonds is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Information Memorandum or any offering material are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Information Memorandum may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorized. No action has been or will be taken in any jurisdiction by the Issuer that would permit a public offering of the Bonds, or possession or distribution of this Information Memorandum or any other offering or publicity material relating to the Bonds (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. Accordingly, the Bonds may not be offered or sold, directly or indirectly, and neither this Information Memorandum nor any other offering material or advertisements in connection with the Bonds may be distributed or published in or from any country or jurisdiction, except in circumstances which will result in compliance with all applicable rules and regulations of any such country or jurisdiction and will not impose any obligations on the Issuer.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Placement Agents or any affiliate of the Placement Agents is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Placement Agent or its affiliate on behalf of the Issuer in such jurisdiction.

The Placement Agents and their affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. The Placement Agents may have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its subsidiaries, jointly controlled entities or associated companies and may be paid fees and expenses in connection with such services from time to time. In the ordinary course of their various business activities, the Placement Agents and their affiliates may make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuer or its subsidiaries, jointly controlled entities or associated companies, including the Bonds, may be entered into at the same time or proximate to offers and sales of the Bonds or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of the Bonds. The Bonds may be purchased by or be allocated to any Placement Agent or an affiliate for asset management and/or proprietary purposes whether or not with a view to later distribution. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

### **IMPORTANT NOTICE TO CMIs (INCLUDING PRIVATE BANKS)**

This notice to CMIs (including Private Banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including Private Banks). Certain CMIs may also be acting as OCs for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Bonds. In addition, Private Banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the Placement Agents accordingly.

CMIs are informed that the marketing and investor targeting strategy for this offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions set out elsewhere in this Information Memorandum.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the Bonds (except for omnibus orders where underlying investor information should be provided to the OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place “X-orders” into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including Private Banks as the case may be) in the order book and book messages.

CMIs (including Private Banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIs (including Private Banks) should not enter into arrangements which may result in prospective investors paying different prices for the Bonds.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Placement Agents in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Bonds, Private Banks should disclose, at the same time, if such order is placed other than on a “principal” basis (whereby it is deploying its own balance sheet for onward selling to investors). Private Banks who do not provide such disclosure are hereby deemed to be placing their order on such a “principal” basis. Otherwise, such order may be considered to be an omnibus order pursuant to the Code. Private Banks should be aware that placing an order on a “principal” basis may require the Placement Agents to apply the “proprietary orders” of the Code to such order and will require the Placement Agents to apply the “rebates” requirements of the Code to such order.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any “Associations” (as used in the SFC Code);
- Whether any underlying investor order is a “Proprietary Order” (as used in the SFC Code);
- Whether any underlying investor order is a duplicate order.

To the extent information being disclosed by non-OC syndicate CMIs and CMIs and investors is personal and/or confidential in nature, non-OC syndicate CMIs and CMIs (including Private Banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to the OCs; (B) that they have obtained the necessary consents from the underlying investors to disclose such information to the OCs. By submitting an order and providing such information to the OCs, each non-OC syndicate CMI and CMI (including Private Banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by the OCs and/or any other third parties as may be required by the Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the Code, for the purpose of complying with the Code, during the bookbuilding process for this offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in this offering. The Placement Agents may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including Private Banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including Private Banks) are required to provide the relevant Placement Agent with such evidence within the timeline requested.

By placing an order, prospective investors (including any underlying investors in relation to omnibus orders) are deemed to represent to the Issuer, the Portfolio Manager and the Placement Agents, that it is not a Sanctions Restricted Person. A “Sanctions Restricted Person” means an individual or entity (a “Person”): (a) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in (i) the most current



“Specially Designated Nationals and Blocked Persons” list (which as of the date hereof can be found at: <http://www.treasury.gov/ofac/downloads/sdnlist.pdf>) or (ii) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: <http://www.treasury.gov/ofac/downloads/fse/fselist.pdf>) or (iii) the most current “Consolidated list of persons, groups and entities subject to EU financial sanctions” (which as of the date hereof can be found at: [https://eeas.europa.eu/headquarters/headquartershomepage\\_en/8442/Consolidated%20list%20of%20sanctions](https://eeas.europa.eu/headquarters/headquartershomepage_en/8442/Consolidated%20list%20of%20sanctions)); or (b) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of: (i) their inclusion in the most current “Sectoral Sanctions Identifications” list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf>) (the “SSI List”), (ii) their inclusion in Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the “EU Annexes”), (iii) their inclusion in any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes, (iv) them being the subject of restrictions imposed by the U.S. Department of Commerce’s Bureau of Industry and Security (“BIS”) under which BIS has restricted exports, re-exports or transfers of certain controlled goods, technology or software to such individuals or entities; (v) them being an entity listed in the Annex to the new Executive Order of 3 June 2021 entitled “Addressing the Threat from Securities Investments that Finance Certain Companies of the People’s Republic of China” (known as the Non-SDN Chinese Military- Industrial Complex Companies List), which amends the Executive Order 13959 of 12 November 2020 entitled “Addressing the threat from Securities Investments that Finance Chinese Military Companies”; or (vi) them being subject to restrictions imposed on the operation of an online service, Internet application or other information or communication services in the United States directed at preventing a foreign government from accessing the data of U.S. persons; or (c) that is located, organized or a resident in a comprehensively sanctioned country or territory, including Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, the Donetsk’s People’s Republic or Luhansk People’s Republic. “Sanctions Authority” means: (a) the United States government; (b) the United Nations; (c) the European Union (or any of its member states); (d) the United Kingdom; (e) any other equivalent governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; and (f) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty’s Treasury.

## **PROHIBITION OF SALES TO EEA RETAIL INVESTORS**

Each of the Placement Agents has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the EEA. For the purposes of this provision, the expression “**retail investor**” means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (b) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

## **PROHIBITION OF SALES TO UK RETAIL INVESTORS**

Each Placement Agent has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the UK. For the purposes of this provision, the expression “**retail investor**” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; and/or
- (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

## **United Kingdom**

Each of the Placement Agents has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be

communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

- (b) it has complied and will comply with all applicable provisions of the FSMA and the Financial Services Act 2012 with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom

## **Singapore**

This Information Memorandum has not been and will not be registered as a prospectus in Singapore with the Monetary Authority of Singapore (the “MAS”). Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, may not be circulated or distributed, nor may the Bonds be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an “accredited investor” (as defined in Section 4A of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

## **Mauritius**

This Information Memorandum has not been and will not be registered as a prospectus with the Financial Services Commission of Mauritius (the “FSC”). This Information Memorandum will not be approved by the FSC. This Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Bonds are not and should not be construed as advertisement or as an offer or sale of securities to the public. The FSC takes no responsibility for the contents of the Information Memorandum. The Bonds may not be offered or sold, directly or indirectly, to the public in Mauritius.

Neither this Information Memorandum, nor any other material or information contained herein relating to the offer or sale, or invitation for subscription or purchase of the Bonds, may be treated as a prospectus and be released or issued to the public in Mauritius or used in connection with any such offer.

The directors of the Issuer hereby accept responsibility for the contents of the Information Memorandum and certify that to the best of their knowledge and belief, and after making reasonable inquiries, the Information Memorandum complies with the Securities Act 2005 of Mauritius (the “**Mauritius Securities Act**”), any regulations made under the Mauritius Securities Act or any FSC rules.

## **United States**

The Bonds have not been, and will not be, registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. In addition, the Issuer has not registered, and does not intend to register, as an investment company under the Investment Company Act, in reliance on the exemption set forth in Section 3(c)(7). Accordingly, the Bonds are being offered and sold only (1) in the United States to persons who are both “qualified institutional buyers” in reliance on Rule 144A and “qualified purchasers” in accordance with the Investment Company Act and (2) outside the United States to non-U.S. persons (within the meaning of Regulation S) in offshore transactions in reliance on Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each purchaser of any of the Bonds will be required to make the following acknowledgements, representations to and agreements with the Transfer Agent and the Issuer in accordance with the instructions set forth in the form of the “U.S. Purchaser Letter” attached as Appendix C hereto and execute and deliver such U.S. Purchaser Letter to the Issuer and the Transfer Agent:

- (1) The purchaser is not an affiliate (as defined in Rule 144A under the Securities Act) of the Issuer or the Guarantor.
- (2) The Bonds have not been registered under the Securities Act, or the securities laws of any state of the United States and, unless registered under the Securities Act, may not be offered, sold or otherwise transferred unless exemptions from registration under the Securities Act and applicable state and other securities laws are available.

- (3) The Issuer has not been and will not be registered as an investment company under the Investment Company Act, in reliance on the exemption set forth in Section 3(c)(7) thereof.
- (4) The purchaser is:
  - a. both a “qualified institutional buyer” as defined in Rule 144A and a “qualified purchaser” as defined in Section 2(a)(51) of the Investment Company Act, in each case who is aware that the sale to it is being made in reliance on Rule 144A and Section 3(c)(7) of the Investment Company Act and who is acquiring the Bonds for its own account or for the account of a person who is both such a QIB/QP; or
  - b. not a U.S. Person and is acquiring the Bonds in an offshore transaction outside the United States complying with the provisions of Regulation S.
- (5) Each purchaser of any Bonds understands that the Bonds are being offered only in a transaction not involving any public offering within the meaning of the Securities Act and that unless otherwise agreed by the Issuer, (a) if it should offer, resell, pledge or otherwise transfer the Bonds, the Bonds may be offered, resold, pledged or transferred, only (i) to the Issuer or its affiliates, (ii) for so long as the securities are eligible for resale pursuant to Rule 144A, in the United States to a person whom the seller reasonably believes is (A) a Qualified Institutional Buyer as defined in Rule 144A and to whom notice is given that the offer, resale, pledge or transfer is being made in reliance on Rule 144A and (B) a Qualified Purchaser or otherwise in circumstances that would not prejudice the Issuer’s exemption from registration as an investment company pursuant to Section 3(c)(7), (iii) outside the United States pursuant to offers and sales to purchasers who are not U.S. Persons in an offshore transaction meeting the requirements of Regulation S, (iv) pursuant to another available exemption from registration under the Securities Act and, to the extent then applicable to the Issuer, in a manner consistent with the Issuer’s exemption from the Investment Company Act, or (v) pursuant to a registration statement that has been declared effective under the Securities Act and, to the extent then applicable to the Issuer, the Investment Company Act, subject to the Issuer’s, Bonds Trustee’s, Security Trustee’s, Registrar’s or Transfer Agent’s right prior to any such reoffer, sale or transfer (x) in the case of clause (iv), to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them, and (y) in each of the foregoing cases, to require that a certificate of transfer in the form set forth in the Trust Deed is completed and delivered by the transferor to the Bonds Trustee; and (b) each subsequent purchaser of the Bonds is required to notify any purchaser of any Bonds of the resale restrictions referred to in (a) above and to deliver to the transferee prior to sale a copy of these transfer restrictions herein set forth (further copies of which may be obtained from the Issuer or Transfer Agent). The purchaser understands that transfers of the Bonds will be registered only if the Bonds are transferred in accordance with such transfer restrictions.
- (6) in the case of a transfer of the Bonds pursuant to Items (5)(ii) – (iv) above;
  - a. each purchaser agrees to provide notice of the transfer restrictions applicable to the Bonds to the counterparty and any executing broker (and any other agent of the transferor involved in such resale) and to direct compliance therewith;
  - b. each purchaser agrees to deliver to the Issuer, prior to settlement of any such transfer, an exit letter signed by the transferor stating that the Bonds were sold in accordance with Items 5(ii) – (iv) above, whichever is applicable.
- (7) Each purchaser:
  - a. is not a broker-dealer that owns and invests on a discretionary basis less than \$25 million in securities of unaffiliated issuers;
  - b. is not, and for so long as it holds the Bonds will not be, an employee benefit plan as defined in Section 3(3) of ERISA that is subject to Title I of ERISA, a plan within the meaning of Section 4975 of the Code to which Section 4975 applies or an entity whose underlying assets are deemed to include “plan assets” under Department of Labor regulation 2510.3-101, as modified by Section 3(42) of ERISA;
  - c. is not, and for so long as it holds the Bonds will not be, a government plan, foreign plan, church plan or other plan subject to law that is substantially similar to Section 406 of

ERISA, or Section 4975 of the Code (“**Similar Law**”);

- d. is not a participant-directed employee plan, such as a 401(k) plan, as referred to in paragraph (a)(1)(i)(D) or (a)(1)(i)(E) of Rule 144A, or a trust fund referred to in paragraph (a)(1)(i)(F) of Rule 144A that holds the assets of such a plan;
  - e. if the purchaser is a Section 3(c)(1) or Section 3(c)(7) investment company, or a Section 7(d) foreign investment company relying on Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act with respect to its U.S. holders and was formed on or before April 30, 1996, it has received the necessary consent from your beneficial owners as required by the Investment Company Act; and
  - f. will hold and transfer at least the minimum denomination of Bonds and will not sell participation interests in any Bonds;
- (8) Each purchaser was not formed for the purpose of investing in the Issuer except where the beneficial owners of the purchaser are QIB/QPs;
- (9) Each purchaser acknowledges that the Issuer may receive a list of participants holding positions in the Bonds from one or more book-entry depositaries;
- (10) Each will not transfer the Bonds or beneficial interests therein except to a transferee who meets the requirements described under this heading “Transfer Restrictions and Investor Restrictions—United States” and agrees not to subsequently transfer the Bonds or any beneficial interest therein except in accordance with the restrictions;
- (11) Each purchaser is not investing and will not invest 40% or more of your total assets in the Bonds;
- (12) A purchaser’s shareholders, partners or other holders of equity or beneficial interests are not able to decide individually whether or not to participate, or to determine the extent of their participation, in the purchaser’s investment in the Issuer, and the purchaser is not a defined contribution or other similar benefit plan that allows participants to determine whether or how much will be invested in investments on their behalf;
- (13) Each purchaser of any Bonds who is a QIB/QP in the United States understands that such Bonds, unless otherwise agreed by the Issuer in compliance with applicable law, will bear a legend to the following effect:

THIS BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR UNDER THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION AND WLB ASSET VI PTE. LTD. (THE “**ISSUER**”) HAS NOT REGISTERED AND DOES NOT INTEND TO REGISTER AS AN INVESTMENT COMPANY UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “**INVESTMENT COMPANY ACT**”), IN RELIANCE ON THE EXCLUSION FROM THE DEFINITION OF INVESTMENT COMPANY PROVIDED BY SECTION 3(C)(7) OF THE INVESTMENT COMPANY ACT. THIS BOND OR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO A “U.S. PERSON” (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT AND WITHIN THE MEANING OF THE INVESTMENT COMPANY ACT), WHO IS BOTH A “QUALIFIED INSTITUTIONAL BUYER” WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT (“**RULE 144A**”) AND A “QUALIFIED PURCHASER” (WITHIN THE MEANING OF SECTION 2(A)(51) OF THE INVESTMENT COMPANY ACT), ACTING FOR ITS OWN ACCOUNT OR THE ACCOUNT OF ANOTHER PERSON WHO IS BOTH A QUALIFIED INSTITUTIONAL BUYER AND A QUALIFIED PURCHASER WITH RESPECT TO WHICH IT EXERCISES SOLE INVESTMENT DISCRETION, IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR THE UNITED STATES AND ANY OTHER RELEVANT JURISDICTION.

BY ITS ACQUISITION HEREOF, THE HOLDER OF THIS BOND REPRESENTS THAT: (A) (1) IT IS A U.S. PERSON AS DEFINED UNDER REGULATION S OF THE SECURITIES ACT AND WITHIN THE MEANING OF THE INVESTMENT COMPANY ACT AND IS BOTH A “QUALIFIED INSTITUTIONAL BUYER” (WITHIN THE MEANING OF RULE 144A) AND A

QUALIFIED PURCHASER UNDER THE INVESTMENT COMPANY ACT, (2) IT IS NOT AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), THAT IS SUBJECT TO TITLE I OF ERISA, A "PLAN" WITHIN THE MEANING OF SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), TO WHICH SECTION 4975 OF THE CODE APPLIES, AN ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED TO INCLUDE "PLAN ASSETS" UNDER DEPARTMENT OF LABOR REGULATION 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA (EACH OF THE FOREGOING, A "**BENEFIT PLAN INVESTOR**") OR A GOVERNMENTAL, NON-U.S. OR OTHER EMPLOYEE BENEFIT PLAN WHICH IS SUBJECT TO ANY U.S. FEDERAL, STATE OR LOCAL LAW, OR NON-U.S. LAW, THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), (3) IT UNDERSTANDS THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THE BONDS FROM ONE OR MORE BOOK-ENTRY DEPOSITORIES, (4) IT WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS APPLICABLE TO THE BONDS TO ANY SUBSEQUENT TRANSFEREES, AND (5) IT AND EACH ACCOUNT FOR WHICH IT IS PURCHASING WILL HOLD AND TRANSFER AT LEAST THE MINIMUM DENOMINATION OF BONDS OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN "OFFSHORE TRANSACTION" PURSUANT TO RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT.

THE HOLDER OF THIS BOND AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED THE BONDS, TO OFFER, SELL OR OTHERWISE TRANSFER THESE BONDS ONLY (1) TO THE ISSUER, (2) IF TO A U.S. PERSON OR IN THE UNITED STATES TO A PERSON IT REASONABLY BELIEVES IS BOTH A "QUALIFIED INSTITUTIONAL BUYER" WITHIN THE MEANING OF RULE 144A AND A "QUALIFIED PURCHASER" MEETING THE REQUIREMENTS OF THE INVESTMENT COMPANY ACT PURCHASING FOR ITS OWN ACCOUNT OR THE ACCOUNT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, (4) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND, TO THE EXTENT THEN APPLICABLE TO THE ISSUER, IN A MANNER CONSISTENT WITH ITS EXEMPTION FROM THE INVESTMENT COMPANY ACT, OR (5) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, AND, TO THE EXTENT THEN APPLICABLE TO THE ISSUER, THE INVESTMENT COMPANY ACT SUBJECT TO THE ISSUER'S, THE BONDS TRUSTEE'S, THE SECURITY TRUSTEE'S, THE REGISTRAR'S AND THE TRANSFER AGENT'S RIGHT PRIOR TO ANY SUCH REOFFER, SALE OR TRANSFER (I) IN THE CASE OF CLAUSE (4), TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, AND (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM SET FORTH IN THE TRUST DEED IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE.

EACH INITIAL PURCHASER AND EACH SUBSEQUENT TRANSFEREE OF THIS BOND OR ANY INTEREST OR PARTICIPATION HEREIN WILL BE DEEMED TO REPRESENT THAT IT AGREES TO COMPLY WITH THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND WILL NOT TRANSFER THIS BOND OR ANY INTEREST OR PARTICIPATION HEREIN EXCEPT TO A TRANSFEREE WHO CAN MAKE THE SAME REPRESENTATIONS AND AGREEMENTS ON BEHALF OF ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING. ANY TRANSFER OF THIS BOND OR ANY INTEREST OR PARTICIPATION HEREIN IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT AND WILL BE NULL AND VOID AB INITIO AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER.

IF THIS BOND WAS ACQUIRED BY A U.S. PERSON THAT IS DETERMINED NOT TO HAVE BEEN BOTH A QUALIFIED INSTITUTIONAL BUYER AND A QUALIFIED PURCHASER AT THE TIME OF ACQUISITION, THE ISSUER HAS THE RIGHT TO REQUIRE SUCH HOLDER TO SELL THIS BOND TO A U.S. PURCHASER WHO IS BOTH A QUALIFIED INSTITUTIONAL BUYER AND A QUALIFIED PURCHASER. THE ISSUER ALSO HAS THE

RIGHT TO REFUSE TO HONOR A TRANSFER TO A U.S. PERSON WHO IS NOT BOTH A QUALIFIED INSTITUTIONAL BUYER AND A QUALIFIED PURCHASER.

THIS BOND AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS BOND TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS BOND SHALL BE DEEMED BY THE ACCEPTANCE OF THIS BOND TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.

- (14) If it is a purchaser in a sale that occurs outside the United States within the meaning of Regulation S, it acknowledges that until the expiration of the 40-day distribution compliance period within the meaning of Rule 903 of Regulation S, any offer or sale of the Bonds will not be made by it to a U.S. Person or for the account or benefit of a U.S. Person within the meaning of Rule 902(k) of the Securities Act and then only to someone whom the purchaser reasonably believes to be a QIB/QP.
- (15) The purchaser acknowledges that the Issuer will not be registered under the Investment Company Act in reliance on the exclusion under Section 3(c)(7) of the Investment Company Act, and as a result it may be considered a “covered fund” for purposes of the Volcker Rule. The definition of “covered fund” in the Volcker Rule generally includes any entity that would be an investment company under the Investment Company Act, but for the exclusions provided under Section 3(c)(1) or 3(c)(7) thereunder. Accordingly, “banking entities” that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining an “ownership interest” (as defined under the Volcker Rule) in the Issuer if the Bonds are determined to constitute “ownership interests” for purposes of the Volcker Rule, absent any applicable exclusion from the definition of “covered fund” or exemption from the Volcker Rule’s covered fund-related prohibitions. Each purchaser must make its own determination as to whether it is a “banking entity” subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain the Bonds.
- (16) The purchaser (a) is able to act on its own behalf in the transactions contemplated by this Information Memorandum, (b) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its prospective investment in the Bonds, and (c) (or the account for which it is acting) has the ability to bear the economic risks of its prospective investment in the Bonds and can afford the complete loss of such investment.
- (17) The purchaser acknowledges that (a) none of us, the Placement Agents or any person acting on behalf of any of the foregoing has made any statement, representation, or warranty, express or implied, to it with respect to the issuer or the offer or sale of any Bonds, other than the information we have included in this Information Memorandum, and (b) any information it desires concerning the Issuer, the Bonds or any other matter relevant to its decision to acquire the Bonds (including a copy of the Information Memorandum) is or has been made available to it.
- (18) The purchaser acknowledges that it received a copy of the Information Memorandum and acknowledges that it has had access to such financial and other information as it deemed necessary in connection with its decision to purchase the Bonds, including an opportunity to ask questions of and request information from the Issuer and the Placement Agents, and it has received and reviewed all information that was requested.
- (19) The purchaser is acquiring the Bonds for investment for its, his or her own account, and not with the view to, or for resale in connection with, any distribution thereof in violation of the Securities Act, and it has no present intention of distributing any of such securities in violation of the Securities Act or any applicable state securities law and has no contract, undertaking, agreement or arrangement with any person regarding the distribution of such securities in violation of the Securities Act or any applicable state securities law.
- (20) The purchaser acknowledges that the foregoing requirements and restrictions apply to holders of beneficial interests in the Bonds, as well as holders of the Bonds and any sale or transfer of the Bonds (or beneficial interests therein) to a person that does not meet each of the foregoing requirements will

be null and void *ab initio* and not honored by the Issuer.

- (21) The purchaser acknowledges that neither the Bonds Trustee, nor the Registrar, nor the Transfer Agent will be required to accept for registration of transfer any Bonds acquired by the purchaser, except upon presentation of evidence satisfactory to the Issuer and the Trustee that the restrictions set forth herein have been complied with.
- (22) The purchaser acknowledges that the Issuer, the Bonds Trustee, the Security Trustee, the Registrar, the Transfer Agent, the Placement Agents and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of the acknowledgments, representations or agreements made or deemed to have been made by its purchase of the Bonds are no longer accurate, it will promptly notify the Issuer, the Bonds Trustee, the Security Trustee, the Registrar, the Transfer Agent and the Placement Agents. If it is acquiring the Bonds as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each of those accounts and it has full power to make the foregoing acknowledgments, representation and agreements on behalf of each of those accounts.
- (23) The purchaser acknowledges that the Bonds have not been approved or disapproved by the SEC or any other regulatory authority, nor have they passed upon the adequacy or accuracy of this information memorandum.
- (24) The purchaser understands and acknowledges that its, his or her investment in the Bonds involves a high degree of risk and has sought such accounting, legal and tax advice as it, he or she has considered necessary to make an informed investment decision with respect to its, his or her acquisition of the shares of the Bonds.
- (25) The purchaser understands and acknowledges that the Bonds not be registered under the Securities Act by reason of a specific exemption from the registration and prospectus delivery requirements of the Securities, the availability of which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of its representations set forth herein.
- (26) The purchaser acknowledges that no action has been taken in any jurisdiction (including the United States) by the Issuer, the Placement Agents or any other person that would permit a public offering of the Bonds or the possession, circulation or distribution of this information memorandum or any other material relating to us or the Bonds in any jurisdiction where action for the purpose is required.

## Switzerland

The Bonds may only be offered or marketed in Switzerland to professional clients as defined in article 4 of the Swiss Financial Services Act (“**FinSA**”) and no application has been or will be made to admit the Bonds to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Information Memorandum nor any other offering or marketing materials relating to the Bonds constitute a prospectus pursuant to the FinSA, no such prospectus has been or will be prepared for or in connection with the offering of the Bonds. Neither this Information Memorandum nor any other offering or marketing materials relating to the Bonds have been or will be filed with or approved by any Swiss regulatory authority or any review body, and none of the aforementioned documents and materials may be distributed or otherwise made available to persons in Switzerland that are not professional clients.

## Hong Kong

The Bonds have not been offered or sold and will not be offered or sold in the Hong Kong Special Administrative Region of the People’s Republic of China (“**Hong Kong**”), by means of any document, other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”) and any rules made under the SFO, or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding-up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the Bonds has been issued or has been in the possession of any person, or will be issued or will be in the possession of any person, for the purposes of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong) (except if permitted to do so under the securities laws of Hong Kong) other than with

respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

## **Australia**

Neither this Information Memorandum, nor any prospectus or disclosure document (as defined in the Corporations Act 2001 of the Commonwealth of Australia (the “**Corporations Act**”)) in relation to the Bonds has been, or will be, lodged with or registered by, the Australian Securities and Investments Commission (“**ASIC**”) or the Australian Securities Exchange (“**ASX**”) and no offer of the Bonds for issue or sale in Australia (including an offer or invitation which is received by a person in Australia) has been made or invited, or will be made or invited, directly or indirectly and neither this Information Memorandum nor any other offering material or advertisement relating to the Bonds has been distributed or published or made available, or will be distributed or published or made available, in Australia, unless, in each case, (i) the aggregate consideration payable by each offeree or invitee is at least A\$500,000 (or its equivalent in other currencies, in either case disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Parts 6D.2 or 7.9 of the Corporations Act, (ii) such action complies with all applicable Australian laws, regulations and directives (including without limitation, the licensing requirements set out in Chapter 7 of the Corporations Act, (iii) such action does not require any document to be lodged with ASIC or the ASX and (iv) the offer or invitation is not made to a person who is a “retail client” within the meaning of section 761 G of the Corporations Act.

## **Japan**

The Bonds have not been and will not be registered pursuant to Article 4, paragraph 1 of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**FIEA**”) with respect to the offering of the Bonds to a resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) since the offering constitutes private placement to a small number of investors as described in Article 23-13, paragraph 4 of the FIEA as it falls under the category set forth in Article 2, paragraph 3, item 2 (ha) of the FIEA. The Bonds held by a resident of Japan may not be divided into smaller denomination of US\$250,000.

## **New Zealand**

No action has been taken to permit the Bonds to be offered or sold to any retail investor, or otherwise under any regulated offer, in terms of the Financial Markets Conduct Act 2013 (the “**FMCA**”). In particular, no product disclosure statement under the FMCA has been prepared in relation to the Bonds.

The Bonds may not be offered in a manner that makes the Bonds subject to a “regulated offer” within the meaning of the FMCA. No person may offer or sell any Bonds, or distribute or publish any offering material or advertisement (as defined in the FMCA) in relation to any offer of Bonds, to any person in New Zealand other than to wholesale investors within the meaning of clause 3(2)(a), (c) or (d) of Schedule 1 to the FMCA, which includes a person who is:

- (i) an “investment business”;
- (ii) “large”; or
- (iii) a “government agency”,

in each case as defined in Schedule 1 to the FMCA, provided (for the avoidance of doubt) that Bonds may not be offered or transferred to any person solely because that person is an “eligible investor” (as defined in clause 41 of Schedule 1 to the FMCA) or to any person who, under clause 3(2)(b) of Schedule 1 to the FMCA, meets the investment activity criteria specified in clause 38 of that Schedule. For this purpose an “investment business” includes, without limitation, a DIMS licensee deciding whether to acquire Bonds on behalf of a person in the course of supplying a discretionary investment management service to that person, in accordance with clause 7 of Schedule 1 to the FMCA.



## SINGAPORE TAXATION

*The statements made herein regarding taxation are general in nature and based on certain aspects of the tax laws of Singapore and administrative guidelines and circulars issued by the relevant authorities in force as of the date of this Information Memorandum and are subject to any changes in such laws, administrative guidelines or circulars, or in the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retrospective basis. It should be noted that as of the date of this Information Memorandum, the Income Tax (Qualifying Debt Securities) Regulations have not been amended to reflect the amendments made to the Income Tax Act 1947 (the “ITA”) in respect of the qualifying debt securities (“QDS”) scheme pursuant to the Income Tax (Amendment) Act 2023. The statements made herein do not purport to be a comprehensive or exhaustive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Bonds and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Bonds are advised to consult their own tax advisers as to the Singapore or other tax consequences of the acquisition, ownership or disposition of the Bonds including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasized that none of the Issuer, the Placement Agents, and any other persons involved in this Information Memorandum accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Bonds.*

### **Interest and Other Payments**

Subject to the following paragraphs, under Section 12(6) of ITA, the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15% Final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17%. The applicable rate for non-resident individuals is 22% prior to the year of assessment 2024, and 24% thereafter. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15%. The rate of 15 percent may be reduced by applicable tax treaties.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including interest, discount income (not including discount income arising from secondary trading) and early redemption fee or redemption premium from debt securities, except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession in Singapore.

References to “early redemption fee” and “redemption premium” in this Singapore tax disclosure have the same meaning as defined in the ITA.

The terms “early redemption fee” and “redemption premium” are defined in the ITA as follows:

- (a) “early redemption fee” means, in relation to debt securities and qualifying debt securities, any fee payable by the issuer of the securities on the early redemption of the securities, and
- (b) “redemption premium” means, in relation to debt securities and qualifying debt securities, any

premium payable by the issuer of the securities on the redemption of the securities upon their maturity or on the early redemption of the securities.

As the issue of the Bonds is jointly lead-managed by Australia and New Zealand Banking Group Limited and Standard Chartered Bank (Singapore) Limited, each of which is a Financial Sector Incentive (Bond Market) Company, Financial Sector Incentive (Standard Tier) Company or a Financial Sector Incentive (Capital Market) Company (as defined in the ITA) and is a Specified Licensed Entity, the Bonds issued as debt securities during the period from the date of this Information Memorandum to December 31, 2028 would be, pursuant to the ITA, QDS for the purposes of the ITA, to which the following treatments shall apply:

- (a) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, of a return on debt securities for the Bonds within such period as the MAS may specify and such other particulars in connection with the Bonds as the MAS may require to the MAS and the inclusion by the Issuer in all offering documents relating to the Bonds of a statement to the effect that where interest, discount income, early redemption fee or redemption premium from the Bonds is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for QDS shall not apply if the non-resident person acquires the Bonds using funds from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium (collectively, the “**Specified Income**”) from the Bonds paid by the Issuer and derived by a holder who is not resident in Singapore and who (i) does not have any permanent establishment in Singapore or (ii) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Bonds are not obtained from such operation in Singapore, are exempt from Singapore tax;
- (b) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, of a return on debt securities for the Bonds within such period as the MAS may specify and such other particulars in connection with the Bonds as the MAS may require), Specified Income from the Bonds paid by the Issuer and derived by any company or body of persons (as defined in the ITA) in Singapore is generally subject to tax at a concessionary rate of 10%; and
- (c) subject to:
  - (i) the Issuer including in all offering documents relating to the Bonds a statement to the effect that any person whose interest, discount income, early redemption fee or redemption premium derived from the Bonds is not exempt from tax shall include such income in a return of income made under the ITA; and
  - (ii) the Issuer, or such other person as the MAS may direct, furnishing to the MAS a return on debt securities for the Bonds within such period as the MAS may specify and such other particulars in connection with the Bonds as the MAS may require,

payments of Specified Income derived from the Bonds are not subject to withholding of tax by the Issuer.

The term “Specified Licensed Entity” means any of the following persons:

- (a) a bank or merchant bank licensed under the Banking Act 1970 of Singapore;
- (b) a finance company licensed under the Finance Companies Act 1967 of Singapore;
- (c) a person who holds a capital markets services licence under the Securities and Futures Act 2001 of Singapore to carry on business in the regulated activities of advising on corporate finance or dealing in capital markets products; or

- (d) such other persons as may be prescribed by rules made under Section 7 of the ITA.

However, notwithstanding the foregoing:

- (a) if during the primary launch of the Bonds, the Bonds are issued to fewer than four (4) persons and 50% or more of the issue of the Bonds is held beneficially or funded, directly or indirectly, by a related party or related parties of the Issuer, the Bonds would not qualify as QDS; and
- (b) even though the Bonds are QDS, if, at any time during the tenor of the Bonds, 50% or more of the issue of the Bonds which are outstanding at any time during the life of their issue is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, Specified Income derived from the Bonds held by:
  - (i) any related party of the Issuer; or
  - (ii) any other person who acquires the Bonds with funds obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term “related party”, in relation to a person (A), means any person (a) who directly or indirectly controls A; (b) who is being controlled directly or indirectly by A; or (c) who, together with A, is directly or indirectly under the control of a common person.

Where interest, discount income, early redemption fee or redemption premium (i.e., the Specified Income) is derived from the Bonds by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Bonds using the funds and profits of such person’s operations through a permanent establishment in Singapore.

Notwithstanding that the Issuer is permitted to make payments of Specified Income in respect of the Bonds without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose Specified Income derived from the Bonds is not exempt from tax is required to include such income in a return of income made under the ITA.

### ***Capital Gains***

Any gains considered to be in the nature of capital made from the sale of the Bonds will generally not be taxable in Singapore. However, any gains derived by any person from the sale of the Bonds which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature. Further, Singapore has proposed a new section 10L of the ITA to treat gains received in Singapore from the sale or disposal by an entity of a multinational group of any immovable or movable property situated outside Singapore (i.e. a foreign asset) as income chargeable to tax, even if the gains would not otherwise be treated as income or if the gains would otherwise be exempt from tax under the ITA, subject to certain exceptions. Please see the section below on “*Income Tax on Gains Received in Singapore from the Sale or Disposal of Foreign Assets.*”

Holders of the Bonds who are adopting or have adopted Singapore Financial Reporting Standard 39 — Financial Instruments: Recognition and Measurement (“**FRS 39**”), Singapore Financial Reporting Standard 109- Financial Instruments (“**FRS 109**”) or Singapore Financial Reporting Standard (International) 9 (“**SFRS(I) 9**”) (as the case may be) may for Singapore income tax purposes be required to recognize gains or losses (not being gains or losses in the nature of capital) on the Bonds, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on “*Adoption of FRS 39, FRS 109 or SFRS(I) 9 Treatment for Singapore Income Tax Purposes.*”

### ***Adoption of FRS 39, FRS 109 or SFRS(I) 9 Treatment for Singapore Income Tax Purposes***

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and “opt-out” provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The Inland Revenue Authority of Singapore (“**IRAS**”) has issued an e-tax guide entitled “Income Tax Implications Arising from the Adoption of FRS 39—Financial Instruments: Recognition and Measurement.”

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after January 1, 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 (as the case may be) for financial reporting purposes, to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued an e-tax guide entitled “Income Tax: Income Tax Treatment Arising from Adoption of FRS 109- Financial Instruments.”

Holders of the Bonds who may be subject to the tax treatment under sections 34A or 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Bonds.

### ***Income Tax on Gains Received in Singapore from the Sale or Disposal of Foreign Assets***

Singapore has proposed a new section 10L of the ITA, which would implement an income tax on gains received in Singapore from the sale or disposal by an entity of a relevant group of any foreign asset (i.e. any movable or immovable property situated outside Singapore at the time of such sale or disposal or any rights or interest thereof). Section 10L is intended to apply to sales or disposals that occur on or after January 1, 2024. Under this section, debt securities issued by a company that is incorporated outside Singapore would likely be considered as “foreign assets.”

Broadly, a seller entity would be a member of a “relevant group” if (i) its assets, liabilities, income, expenses and cash flows (a) are included in the consolidated financial statements of the parent entity of the group, or (b) are excluded from the consolidated financial statements of the parent entity of the group solely on size or materiality grounds or on the grounds that the entity is held for sale, and (ii) the entities of the group are not all incorporated in a single jurisdiction or any entity of the group has a place of business in more than one jurisdiction.

There are certain exclusions in this regard. The taxation of such gains would not apply to a sale or disposal that is:

- (a) carried out as part of, or incidental to, the business of a “prescribed financial institution”, which includes licensed banks, finance companies and holders of a capital markets services licence;
- (b) carried out as part of, or incidental to, the relevant business activities or operations of an entity enjoying certain tax incentives, such as the financial sector incentive; or
- (c) carried out by an excluded entity that has adequate economic substance in Singapore (as defined and provided for under the proposed new section 10L of the ITA).

The Ministry of Finance has also indicated that the IRAS will provide further guidance through an e-tax guide, including examples for certain sectors.

### ***Estate Duty***

Singapore estate duty has been abolished with respect to all deaths occurring on or after February 15, 2008.

## MAURITIUS TAXATION

*The statements made herein regarding taxation are general in nature and based on certain aspects of the tax laws of Mauritius, as well as guidelines or circulars by the relevant authorities in force as of the date of this Information Memorandum and are subject to any changes in such laws, guidelines or circulars, or in the interpretation of those laws, guidelines or circulars occurring after such date, which changes could be made on a retrospective basis. The statements made herein do not purport to be a comprehensive or exhaustive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Bonds and do not purport to deal with the tax consequences applicable to all categories of investors. Prospective holders of the Bonds are advised to consult their own tax advisers as to the Mauritius or other tax consequences of the acquisition, ownership or disposition of the Bonds including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasized that none of the Issuer, the Portfolio Manager, the Placement Agents and any other persons involved in this Information Memorandum accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Bonds. The following Mauritian tax summary is not an opinion or a guarantee to any investor of the tax results of investing in the Bonds.*

### ***Tax implications for the Issuer***

As per section 73(b) of the Mauritian Income Tax Act 1995 (“ITA”), a company is considered as tax resident in Mauritius where the company is incorporated in Mauritius, or it has its Central Management and Control (“CMC”) in Mauritius. However, a company incorporated in Mauritius which has its CMC outside Mauritius will not be considered as tax resident.

As a Mauritian resident company, the Issuer will be subject to income tax in Mauritius on its global income (other than exempt income) at 15%. The tax is calculated on the company’s chargeable income. Chargeable income refers to taxable income less allowable deductions. The Issuer may however claim a credit for foreign tax suffered on its foreign sourced income, against the tax liability arising in Mauritius on the income – referred to as the foreign tax credit (“FTC”) mechanism. This would generally include any withholding tax suffered at source on the income. Depending on the amount of foreign taxes suffered therefore, the tax liability arising in Mauritius may reduce to nil. Alternatively, the ITA also provides for an 80% exemption on certain streams of income, such as interest and foreign dividend, provided that the company satisfies certain prescribed substance conditions in Mauritius. Where the 80% exemption is claimed, the effective tax rate is reduced to around 3%. Where a company has claimed the 80% exemption in respect of a foreign source income, it may not also claim a credit for foreign taxes on that income.

The Issuer holds a tax residence certificate (“TRC”) from the Mauritius Revenue Authority (“MRA”). The certificate is renewable annually subject to the directors and the company secretary of the Issuer providing an undertaking to the MRA that meets prescribed requirements to demonstrate that the Issuer is centrally managed and controlled in Mauritius. The MRA will generally issue a TRC to a company upon application made to the Financial Services Commission (“FSC”) along with an undertaking that the company is and will be centrally managed and controlled in Mauritius. In this respect, the Issuer must:

- a. have at all times at least two (2) resident directors of appropriate caliber and able to exercise independence of mind and judgment;
- b. maintain, at all times, its principal bank account in Mauritius;
- c. keep and maintain, at all times, its accounting records at a registered office in Mauritius;
- d. prepare its statutory financial statements and cause its financial statements to be audited in Mauritius; and
- e. provide for meetings of directors to include at least two (2) directors from Mauritius.

The Issuer undertakes to duly comply with the above requirements.

### ***Implications for Bondholders***

There are no income tax implications in Mauritius for the Bondholders on the acquisition of the Bonds issued by the Issuer.

There is no withholding tax payable in Mauritius in respect of payments of interest to non-Mauritian resident Bondholders, provided that the interest paid by the Issuer is paid out of its foreign sourced income.

### ***Capital gains***

There is no capital gains tax regime in Mauritius. Any gains on the disposal/sale of the Bonds by the Bondholders will not give rise to any income tax implications in Mauritius.

### ***Exchange Control: Mauritius***

The government of Mauritius suspended foreign exchange controls in 1994. Consequently, no approval is required for converting, transferring, or repatriating funds earned by a foreign investor in Mauritius. Funds associated with any form of investment can be freely converted into any world currency. There are no time or quantity limits on remittance of capital, profits, dividends, and capital gains earned by a foreign investor in Mauritius.

## UNITED STATES FEDERAL INCOME TAXATION

The following is a general discussion of certain U.S. federal income tax consequences relevant to U.S. Holders (as defined below) of the purchase, ownership and disposition of the Bonds. This general discussion applies only to U.S. Holders that acquire the Bonds in this offering at their issue price and hold such Bonds as capital assets (generally, property held for investment). This discussion is based on current provisions of the Internal Revenue Code of 1986, as amended (the “Code”), existing final, temporary and proposed U.S. Treasury regulations promulgated thereunder, and administrative and judicial interpretations thereof, all as in effect or proposed on the date of this Information Memorandum. All of the foregoing is subject to change, possibly with retroactive effect, or different interpretations, either of which could affect the general discussion below.

No rulings from the Internal Revenue Service (the “IRS”) have been nor will be sought regarding the characterization of the Bonds or any matter discussed herein. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the statements made and conclusions reached with respect to the U.S. federal income tax consequences of purchasing, owning or disposing of the Bonds.

This discussion is for general information purposes only and does not address all of the tax consequences that may be relevant to specific investors in light of their particular circumstances or to investors subject to special treatment under U.S. federal income tax laws, such as banks, financial institutions, insurance companies, pension funds, dealers in securities or currencies, traders in securities electing the mark-to-market treatment, regulated investment companies, real estate investment trusts, tax-exempt organizations, persons that hold the Bonds as a position in a “straddle” or as part of a synthetic security or “hedge”, “conversion transaction” or other integrated investment, persons subject to special tax accounting rules as a result of any item of gross income with respect to the Bonds being taken into account in an “applicable financial statement” (as defined in section 451 of the Code), persons that have a “functional currency” other than the U.S. dollar, U.S. expatriates, and investors in pass-through entities that hold Bonds.

This discussion does not address the effects of any state, local or non-U.S. tax laws. In addition, this discussion does not address any consequences of the U.S. federal estate and gift tax, the alternative minimum tax or the Medicare tax on net investment income.

As used herein, “U.S. Holder” means a beneficial owner of the Bonds that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state or political subdivision thereof, or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust that (1) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) owns Bonds, the tax treatment of a partner in such partnership generally will depend on the status of the partner and the activities of the partnership owning the Bonds. Such a partner or partnership considering the acquisition of the Bonds should consult its own tax advisors.

**THIS DISCUSSION IS NOT INTENDED AS LEGAL ADVICE. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME TAX RULES TO THEIR PARTICULAR CIRCUMSTANCES AS WELL AS THE STATE AND LOCAL, FOREIGN AND OTHER TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF BONDS.**

## ***Characterization of the Bonds***

The proper characterization of instruments such as the Bonds for U.S. federal income tax purposes is subject to significant uncertainty. It is possible that the Bonds could, for example, be treated as indebtedness of the Issuer or, alternatively, be treated as an equity interest in the Issuer.

The Issuer intends to take the position that the Bonds are characterized as indebtedness for U.S. federal income tax purposes. However, the Issuer's determination is not binding on the IRS. It is possible the Bonds may be treated as equity interests in the Issuer for U.S. federal income tax purposes. The Issuer has elected to be treated to be disregarded as a separate entity for U.S. federal income tax purposes. Therefore, if the Bonds are treated as equity, a U.S. Holder would be treated as a partner in a partnership, in which case the U.S. Holder would be required to include in its gross income its allocable portion of the income, deduction, gain or loss of the Issuer. This generally would result in no greater income inclusions than if the Bonds were respected as debt for U.S. federal income tax purposes. However, if the Bonds were treated as equity in the Issuer and the Issuer is considered to be engaged in a financial business, the Issuer may be treated as a corporation for U.S. federal income tax purposes, and the Issuer may be a "passive foreign investment company" ("PFIC"). Such treatment may have adverse U.S. federal income tax consequences for U.S. Holders, including being subject to increased U.S. federal income tax liability and additional reporting requirements. Each U.S. Holder is urged to consult its own tax advisor regarding the U.S. federal income tax consequences of its investment in the Bonds.

The remainder of this discussion assumes the Bonds will be characterized as indebtedness for U.S. federal income tax purposes. U.S. Holders are strongly urged to consult their tax advisors regarding the characterization of the Bonds for U.S. federal income tax purposes.

## ***Payments of interest***

The Bonds are not expected to be issued with original issue discount for U.S. federal income tax purposes in excess of a de minimis amount (i.e., the discount, if any, is expected to be less than 1/4 of 1 percent of the stated redemption price at maturity multiplied by the number of complete years to maturity). Accordingly, stated interest paid on a Bond (including any additional amounts and non-U.S. withholding taxes paid with respect thereto) will be taxable to a U.S. Holder as ordinary interest income at the time it accrues or is received in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes.

In addition, interest on the Bonds generally will be treated as foreign source income for U.S. federal income tax purposes and generally will constitute "passive category" income for most U.S. Holders. To the extent that interest on the Bonds is subject to non-U.S. withholding tax, for U.S. federal income tax purposes, the amount of interest income will include any amounts withheld. Subject to applicable limitations that vary depending upon a U.S. Holder's particular circumstances and the discussion below regarding certain Treasury regulations, non-U.S. taxes withheld from interest payments may be creditable against your U.S. federal income tax liability. For example, Treasury regulations provide that, in the absence of an election to apply the benefits of an applicable income tax treaty, in order for non-U.S. income taxes to be creditable, the relevant non-U.S. income tax rules must be consistent with certain U.S. federal income tax principles. The IRS recently released a notice which indicates that the U.S. Treasury Department and the IRS are considering amendments to these Treasury regulations and provides relief from certain of their provisions for taxable years ending on or before December 31, 2023. The notice also indicates that the U.S. Treasury Department and the IRS are considering whether, and under what conditions, to provide additional temporary relief for later taxable years. In lieu of claiming a foreign tax credit, a U.S. Holder may be able to deduct such taxes in computing taxable income for U.S. federal income tax purposes *provided* that the U.S. Holder does not elect to claim a foreign tax credit for any foreign income taxes paid or accrued by the U.S. Holder for the relevant taxable year. The rules governing the foreign tax credit and deduction are complex. U.S. Holders are urged to consult their tax advisors regarding whether withholding taxes will apply, and if so, the availability of the foreign tax credit or deduction under their particular circumstances.

## ***Sale, exchange, redemption, or other taxable disposition***

Upon the sale, exchange, redemption or other taxable disposition of the Bonds, a U.S. Holder will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange, redemption or other taxable disposition (other than amounts attributable to accrued but unpaid stated interest, which amounts generally will be taxable as ordinary interest income to the extent not previously included in gross income) and the U.S. Holder's adjusted tax basis in the Bond. A U.S. Holder's adjusted tax basis in a Bond generally will equal the acquisition cost of the Bond. Capital gain or loss will be long term capital gain or



loss if, at the time of its sale, exchange, retirement or other taxable disposition, the Bond has been held for more than one year. Certain non-corporate U.S. Holders (including individuals) may be eligible for preferential tax rates in respect of long-term capital gains. The deductibility of capital losses is subject to limitations under the Code.

Capital gain or loss recognized by a U.S. Holder generally will be U.S. source capital gain or loss. As discussed above, Treasury regulations provide that, in the absence of an election to apply the benefits of an applicable income tax treaty, in order for non-U.S. income taxes to be creditable, the relevant non-U.S. income tax rules must be consistent with certain U.S. federal income tax principles. The IRS recently released a notice which indicates that the U.S. Treasury Department and the IRS are considering amendments to these Treasury regulations and provides relief from certain of their provisions for taxable years ending on or before December 31, 2023. The notice also indicates that the U.S. Treasury Department and the IRS are considering whether, and under what conditions, to provide additional temporary relief for later taxable years. In lieu of claiming a foreign tax credit, a U.S. Holder may be able to deduct such taxes in computing taxable income for U.S. federal income tax purposes *provided* that the U.S. Holder does not elect to claim a foreign tax credit for any foreign income taxes paid or accrued by the U.S. Holder for the relevant taxable year. The rules governing the foreign tax credit and deduction are complex. U.S. Holders are urged to consult their tax advisors regarding whether withholding taxes will apply, and if so, the availability of the foreign tax credit or deduction, under their particular circumstances.

### ***Foreign Financial Asset Reporting***

U.S. Holders who are individuals and who hold certain foreign financial assets (which may include the Bonds) may be required to report information relating to such assets, subject to certain exceptions (including an exception for Bonds held in accounts maintained by certain financial institutions). U.S. Holders who fail to report required information could be subject to substantial penalties. U.S. Holders should consult their tax advisors regarding the effect, if any, of these rules on their ownership and disposition of the Bonds.

### ***Information reporting and backup withholding***

In general, payments of interest and principal on the Bonds and proceeds from a sale, exchange, redemption or other taxable disposition of the Bonds may be subject to information reporting to the IRS and U.S. backup withholding. Backup withholding will not apply, however, to a U.S. Holder who furnishes a correct taxpayer identification number and makes any other required certification or who is otherwise exempt from backup withholding. U.S. Holders who are required to establish their exempt status generally must provide such certification on IRS Form W-9. U.S. Holders should consult their tax advisors regarding the application of the U.S. information reporting and backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a U.S. Holder's U.S. federal income tax liability, and a U.S. Holder may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for refund with the IRS and furnishing any required information.

THE ABOVE DISCUSSION IS NOT LEGAL ADVICE RELATING TO THE ACQUISITION, OWNERSHIP OR DISPOSITION OF THE BONDS. INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISOR CONCERNING THE TAX CONSEQUENCES OF THEIR PARTICULAR SITUATION.

## GENERAL INFORMATION

### Where You Can Find More Information

Upon completion of the issuance of the Bonds, we will not be subject to the periodic reporting and other information requirements of the U.S. Securities Exchange Act of 1934. This Information Memorandum contains summaries of certain agreements that we have entered into or will enter into in connection with the Transaction. The descriptions contained in this Information Memorandum of these agreements do not purport to be complete and are subject to, or qualified in their entirety by reference to, the definitive agreements. Copies of the definitive agreements will be made available without charge to you in response to a written request to us.

### No Litigation

The Issuer is not involved, and has not been involved, in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had since the date of its incorporation a significant effect on the Issuer's financial position, business or operations.

### Clearing Systems

The Bonds have been accepted for clearance through Euroclear and Clearstream, Luxembourg with the following:

<b>Bonds</b>	<b>ISIN</b>	<b>Common Code</b>
Rule 144A	XS2723388174	272338817
Regulation S	XS2723388257	272338825

### Minimum Board Lot Size on the SGX-ST

If a listing is obtained, the Bonds will be traded on the SGX-ST in a minimum board lot size of at least \$250,000 Singapore dollars (or its equivalent in U.S. dollars) for so long as such Bonds are listed on the SGX-ST and the rules of the SGX-ST so require. Whether or not a listing is obtained, the Bonds will be issued only in denominations of US\$250,000 and integral multiples of US\$1,000 in excess thereof.

## APPENDICES

## Appendix A Countries Overview

### Cambodia Macro Situation

Moody's Sovereign Credit Rating	Standard & Poor's Sovereign Credit Rating	Fitch Sovereign Credit Rating	COFACE Country Risk Assessment
B2/Negative <sup>29</sup>	-	-	C

*Note: Ratings as of September 8, 2023*

Over the two decades before COVID-19 struck in 2020, Cambodia blossomed economically. Having reached lower middle-income status in 2015, it set its sights on attaining upper middle-income status by 2030. Thanks to growing garment exports and tourism, Cambodia's economy grew at an average annual rate of 7.7 percent between 1998 and 2019, making it one of the fastest-growing economies in the world. Cambodia's growth rebounded to an estimated 3.0% in 2021 after a contraction of 3.1% in 2020. Cambodia's economy continued to recover in 2022. The economic growth for 2023 is projected to reach 5.2 percent.

The recovery of the services sector is strengthening, driven largely by pent-up consumer demand and the return of foreign tourists. This is offsetting a recent decline in Cambodia's goods exports hit by the recent slowdown in external demand. Domestic consumption is also being boosted by the easing of inflation which declined to 2.9 percent year-on-year in December 2022 as energy and food prices stabilized. Downside risks include a marked slowdown in external demand, further global financial tightening, and a renewed oil price shock. On the upside, China's reopening presents an opportunity for Cambodia to boost its travel and tourism industry and to attract FDI inflows.

Over the medium term, Cambodia's economy is expected to trend back to potential, growing at 6 percent per annum. Goods and services exports and strong FDI inflows are expected to be bolstered by the newly ratified free trade agreements with China and South Korea, a substantial increase in private and public investment, especially under public-private partnership, in key physical infrastructure such as seaports and roads and structural reforms.

Over the period 2009-2019/20, poverty rates declined by 1.6 percentage points a year, driven substantially by rising labor (especially wage) earnings. However, the COVID-19 pandemic led to increases in unemployment, and poverty. A scale-up of social assistance to poor and vulnerable households, launched in June 2020, has moderated income losses; nevertheless, the poverty rate is estimated to have increased by 2.8 percentage points in 2020, and poverty remains higher than pre-pandemic levels. Energy and food price hikes due to the Russian-Ukraine conflict have also imposed an additional burden as they weigh on household budgets.

### Annual Indicators<sup>30</sup>

Fiscal Year (ends December 31)	2018	2019	2020	2021	2022
GDP, current prices (KHR trillion)	99.1	110.0	110.1	110.7	125
GDP, current prices (US\$ billion)	24.5	27.1	26.9	27.0	30
Real GDP growth (%)	7.3	7.1	-3.1	3.0	5.2
Inflation (%)	2.5	1.9	2.9	2.9	5.3
Population (million)	15.6	15.7	15.8	16.4	16.6
Trade Balance (US\$ billion)	-5.3	-28.7	-3.6	-11.3	-8.9
Current Account Balance (% of GDP)	-13.6	-17.6	-11.4	-45.7	-25.3
Gross International Reserves (US\$ billion)	10.1	18.7	21.3	20.3	17.8
External Debt Outstanding (US\$ billion)	7.0	7.0	8.7	9.5	10.0
Debt Service Ratio (% of Exports)	1.4	1.4	1.4	1.7	1.9
Fiscal Balance (% of GDP)	-5.1	5.3	-2.6	-4.0	1.7
Annual Average Exchange Rate (KHR/US\$)	4,045	4,084	4,093	4,099	4,102

<sup>29</sup> Rating changed to B2 (Negative) from B2 (Stable) in August 2022

<sup>30</sup> \*<https://www.adb.org/mobile/basic-statistics-2022/>

<https://www.adb.org/mobile/basic-statistics-2021/>

<https://www.adb.org/publications/basic-statistics-2020>

<https://www.worldbank.org/en/country/cambodia/overview#1>

<https://data.worldbank.org/indicator/PA.NUS.FCRF?end=2021&locations=KH&start=2021>

<https://www.ceicdata.com/en/cambodia/official-exchange-rate/exchange-rate-against-us-monthly-averages>

## Indian Macro Situation

Moody's Sovereign Credit Rating	Standard & Poor's Sovereign Credit Rating	Fitch Sovereign Credit Rating	COFACE Country Risk Assessment
Baa3/Stable	BBB-/Stable	BBB-/Stable	B

(All ratings as of the end of July 2023)

Due to inflationary pressure, since May 2022 last year, the central bank (Reserve Bank of India - RBI) has hiked the repo rate six times in a row - taking the total hike to 250 bps. The repo rate has shifted from 4% to a four-year high of 6.50%. Economists expect RBI to leave the rate unchanged for the rest of 2023 as it waits to see the impact of earlier hikes.

India's economic growth accelerated to 6.1% in the January to March 2023 quarter pushing up the annual growth rate to 7.2%<sup>39</sup> as compared to 9.1% in 2021-22. The growth has rebounded since the pandemic, boosted by government and private capital spending even as private consumption remained sluggish. India remains one of the fastest growing emerging economies. The government expects growth could remain around 6.5% in the current fiscal year, despite risks emerging from a global slowdown<sup>40</sup>. The global slowdown and volatility in financial markets pose a risk to exports and the growth outlook in coming quarters. Government spending has increased, as they have stepped up capital spending in the past few years to build roads, railways and new airports to revive the economy after the pandemic. Unemployment rate rose to 8.1% in April 2023 coupled with low labour force participation rate remains of 39.5% remains a key concern. However, the boost in government spending is expected to strengthen job creation and demand.

Relevant to the financial inclusion space in India, improvement in macro factors such as employment rate in rural area, sustained growth in agriculture economy and reduction in inflation rate would be key factors impacting the health of its customers. Consumption remains subdued with major FMCG companies reporting muted volume growth in rural India in the quarter of June 2023. The monsoon has been delayed this year due to the El Nino effect (causing a significant impact on weather patterns) but is expected to be normal for this year (source: IMD) and shall give support to the rural economy. The agriculture sector had been resilient during COVID-19 pandemic and grew by 4% in FY Mar 2023 (Source: the hindu<sup>41</sup>); however, it is expected to grow slightly more slowly by 2.5% in FY Mar 2024 (Source: Firstpost<sup>42</sup>). Rural unemployment rate has inched up above 8% of late, but it remains lower than the peak of 10.55% in May 2021 during COVID-19 pandemic. A silver lining is a reduction in CPI Inflation and MSP (minimum support price) hikes. CPI inflation, with a reading of 4.81% as of June 2023, is hovering within the central bank target range of 2%-6%, allowing the central bank to pause rate hikes. The government, in an attempt to improve the income of farmers, has provided support in the form on MSP for crops and has recently raised the minimum support prices. This is expected to increase farmers income in near term.

### Annual Indicators<sup>38</sup>

Fiscal Year (ends March 31)	2018	2019	2020	2021	2022
GDP, current prices (INR trillion)	184.7	199.6	195.9	236.5	282.96
GDP, current prices (US\$ trillion)	2.7	2.8	2.6	3.2	3.6
Real GDP growth (%)	7.0	5.0	-7.5	8.9	6.8
Inflation (%)	3.5	4.7	6.2	5.4	6.7
Population (million)	1,332	1,341	1,396	1,369	1,383
Trade Balance (US\$ billion)	-175.5	-157.5	-102.2	-192.4	-104.0
Current Account Balance (% of GDP)	-2.3	-0.9	0.9	-1.6	-2.9
Gross International Reserves (US\$ billion)	412.8	478.0	576.8	629.9	583.3
External Debt Outstanding (US\$ billion)	543.1	558.4	570.0	614.9	620.7
Fiscal Balance (% of GDP)	-3.4	-3.8	-9.5	-6.9	-8.3
Annual Average Exchange Rate (INR/US\$)	68.4	70.4	74.2	73.9	78.6

Source: Asian Development Bank

<sup>38</sup><https://www.adb.org/mobile/basic-statistics-2022/>

<sup>39</sup><https://economictimes.indiatimes.com/news/newsblogs/india-gdp-q4-fy23-growth-news-live-latest-updates-31-may-2023/liveblog/100634542.cms>

## Indonesian Macro Situation<sup>31</sup>

Moody's Sovereign Credit Rating	Standard & Poor's Sovereign Credit Rating	Fitch Sovereign Credit Rating	COFACE Country Risk Assessment
Baa2/Stable	BBB/Stable	BBB/Stable	A4

Southeast Asia's biggest economy expanded 5.17% in the April-June 2023 quarter from the same period a year earlier.<sup>32</sup> Rising household spending for the Muslim fasting month and Eid al-Fitr festivities in late April and school holidays in June resulted in expansion in household consumption. Growth in investment and government spending also more than doubled, as the government expedited construction of roads and irrigation systems ahead of the end of President Joko Widodo's final term in 2024. Meanwhile, exports contracted 2.75% in the second quarter on a yearly basis, in stark contrast to last quarter's growth of more than 10%.

Growth strengthened in 2022, the highest in the last decade. GDP grew by 5.3 percent year-on-year, stronger than the region's median growth rate, thanks to a positive terms-of-trade shock led by commodity related exports and a recovery in private consumption. This momentum continued in 2023 with private consumption and exports supporting a 5 percent growth in the first quarter of 2023. Nevertheless, there are signs that domestic demand is starting to moderate. These include a notable weakening in both import and investment growth, a deceleration in private sector credit growth, as well as a slowdown in core inflation since the beginning of the year.

Headline inflation declined, from 5.28% in January 2023 to 3.27% in August 2023<sup>33</sup>. Inflation peaked in September 2022 when global inflationary pressures mounted following Russia's invasion of Ukraine. The slowing pace of inflation is attributed to a combination of external and domestic policy-related factors. This includes the decline in global oil prices, improved harvest, government intervention at the sub-regional level to ease supply bottlenecks notably for food and rice, and the appreciation of the Indonesian rupiah, which lowered the cost of imports.<sup>34</sup>

The Indonesian central bank, Bank Indonesia ("BI") raised its policy rate by a cumulative of 225 bps from August 2022 to January 2023 but has held it at 5.75 percent since January 2023. Inflation is steadily easing, and inflation expectations are now anchored and expected to drop below the BI target in the second half of 2023. With inflation expected to stay within the central bank's 2%-4% target range the focus is now on maintaining the stability of the Indonesian rupiah.<sup>35</sup>

### Annual Indicators<sup>36,37</sup>

Fiscal Year (ends December 31)	2018	2019	2020	2021	2022
<b>GDP, current prices (IDR quadrillion)</b>	14.8	15.8	15.4	17.0	19.6
GDP, current prices (US\$ trillion)	1.04	1.12	1.06	1.19	1.32
Real GDP growth (%)	5.2	5.0	-2.1	3.7	5.3
Inflation (%)	3.2	2.8	2.0	1.6	4.2
Population (million)	265.0	266.9	270.2	272.3	275.8
Trade Balance (% of GDP)	-0.0	0.3	2.7	3.7	4.8
Current Account Balance (% of GDP)	-3.0	-2.7	-0.4	0.3	1.0
Gross International Reserves (US\$ billion)	120.7	129.2	135.9	144.9	137.2
External Debt Outstanding (US\$ billion)	352.5	375.4	417.5	415.1	406.3(May)
Debt Service Ratio (% of exports of goods, services and primary income)	8.5	10.2	15.2	-	-
Fiscal Balance (% of GDP)	-1.7	-2.2	-6.2	-4.6	-2.38 <sup>8</sup>
Annual Average Exchange Rate (IDR/US\$)	14,237	14,148	14,582	14,308	14,850

Source: Asian Development Bank and The World Bank

<sup>31</sup> <https://www.adb.org/mobile/basic-statistics-2022/>

<sup>32</sup> <https://www.reuters.com/markets/asia/indonesia-q2-gdp-growth-highest-three-quarters-2023-08-07/>

<sup>33</sup> <https://www.forbes.com/sites/yessarrosendar/2023/09/11/indonesias-finance-minister-upbeat-on-growth-as-domestic-demand-resilient-1/?sh=63c6900e5997>

<sup>34</sup> <https://openknowledge.worldbank.org/server/api/core/bitstreams/e276a12e-4a4c-4429-812f-fd14f77337c5/content>

<sup>35</sup> <https://www.reuters.com/markets/rates-bonds/bank-indonesia-rates-hold-rest-year-cut-q1-2024-2023-07-20/>

<sup>36</sup> <https://kidb.adb.org>

<sup>37</sup> <https://data.adb.org/dataset/inflation-rate-asia-and-pacific-asian-development-outlook>

<sup>8</sup> [https://www.theglobaleconomy.com/Indonesia/fiscal\\_balance\\_percent\\_GDP/#:~:text=Indonesia%3A%20Fiscal%20balance%2C%20percent%20of%20GDP%3A%20For%20that,2022%20is%20-2.38%20percent.%20countries%20is%20-2.88%20percent.](https://www.theglobaleconomy.com/Indonesia/fiscal_balance_percent_GDP/#:~:text=Indonesia%3A%20Fiscal%20balance%2C%20percent%20of%20GDP%3A%20For%20that,2022%20is%20-2.38%20percent.%20countries%20is%20-2.88%20percent.)

## Kenyan Macro Situation

<b>Moody's Sovereign Credit Rating (Jul 2023)</b>	<b>Standard and Poor's Sovereign Credit Rating (Feb. 2023)</b>	<b>Fitch Sovereign Credit Rating (July 2023)</b>	<b>COFACE Country Risk Assessment (June 2023)</b>
B3/Negative	B/Negative	B/Negative	C

Kenya with a population of 55.10 million is a middle-income nation and is the third largest economy in Sub-Saharan Africa, coming behind Nigeria and South Africa. Kenya has liberalized its economy to promote trade and investments. According to USAID, the agriculture sector is the backbone of the economy with a 33% contribution to Kenya's GDP and employing more than 40% of the total population and 70% of the rural population.

Kenya's economic performance slowed in 2022. Real GDP grew by 4.8% in 2022, a slowdown from the 7.5% annual growth seen after the COVID-19 crisis in 2021.

Though slower than in 2021, Kenya's real GDP growth in 2022 was driven by some recovery in the tourism and financial sectors. Services grew by 7% year-on-year, accounting for about 80% of the growth in the overall GDP. Although there were many factors contributing to the growth of its services industry, financial intermediation and tourism were the main contributors. Agriculture suffered a setback in 2022 as a result of the worst drought in four decades. Kenya's agriculture sector shrank by 1.6% year-on-year in 2022 because of persistently dry weather and a sharp rise in input costs. In 2022, the price index for agricultural inputs increased by 39.2%, primarily due to increases in the cost of fuel and electricity, manufactured feed, and seeds. The poor agricultural performance was primarily caused by decreases in the output of the livestock (down 1.7% year-on-year) and crop (down 2% year-on-year) subsectors.

In 2022, inflation hit 7.66% (2021: 5.62%) as a result of rising food and fuel prices around the world brought on by disruptions in the global supply chain and the Russian invasion of Ukraine. Furthermore, the worst drought in four decades that hit the East African countries caused an increase in the inflationary pressures. The shilling remained weak throughout 2022 as major central banks began a cycle of tightening and Kenya's official foreign exchange reserves started to run low due to the country's high need for external financing and the difficulty it had accessing global capital markets.

Inflation has moderated in 2023 but underlying pressure persists. Headline inflation fell to 7.9% in April 2023 after hovering above 9.0% since September 2022. Still, headline inflation stands above the 7.5% upper ceiling of the Central Bank of Kenya's inflation target band. The persistently high inflation was driven by supply shocks to food and fuel prices from the Russian – Ukraine war and the long regional drought, which saw Kenya's agriculture output contract by 1.6% in 2022. Food inflation remained elevated at 10.1% in April 2023 reflecting high international oil prices, shilling depreciation and supply shocks. Food, comprising one-third in the basket of the consumer price index, has been the main contributor to overall inflation. The Central Bank Kenya has raised the policy rate by 350 basis points since January 2022 to 10.5%.

Kenya's current account deficit ("CAD") shrank in 2022, reflecting growing export receipts against a sharp slowdown in imports due to the shilling depreciation. The current account balance decreased by 38% to US\$963 million in the fourth quarter of 2022 from US\$1,557 million in the fourth quarter of 2021, reflecting lower imports, stronger performance of exports of goods and services as well as increased remittances and supported by the shilling depreciation.

Kenya faces external financing challenges. Sovereign external debt service will rise sharply to US\$4.3 billion in the year ending June 2024 (as compared to US\$2.8 billion in the year ended June 2023) including the US\$2 billion Eurobond repayment in June 2024.

In the medium-term, Kenya's growth remains bright as the economy slowly recovers from the multiple crises. Real GDP is expected to grow by 5% in 2023 and an average of 5.2% in 2024–25. Strong GDP growth in the medium term is supported by easing in the cost-of-living pressures – driven by a recovery in agriculture following improved rainfalls, resilience in services industry, a decline in global commodity prices and robust private investments.

Agriculture, electricity, and water supply sectors are expected to benefit from an end to the prolonged drought with moderate to heavy rains in most parts of the country during the ongoing rainy season. The continued rebound

in tourism, exports, and remittances, along with stabilization of commodity prices, will maintain a low CAD in the range of 5 – 5.5% of GDP. The anticipated decline in global commodity prices and improved agricultural harvest should alleviate inflationary pressures in second half of 2023. Inflation is expected to decline to 5.7% in 2024-25, and can prompt to central bank of loosen monetary policy.

Although the medium-term outlook is generally positive, it is subject to uncertainties from short rainfalls which could worsen inflationary pressure, weaker global demand, economic disruptions from political uncertainties, political tensions which could aggravate debt vulnerabilities and geopolitical risks which could weaken global demand and lower exports and foreign investments.

Source: *Kenya Economic Update, Securing Growth: Opportunities for Kenya in a Decarbonizing World*. World Bank. (2023, June). <https://openknowledge.worldbank.org/server/api/core/bitstreams/22e180fb-c038-4e91-869f-549544149804/content>

## Annual Indicators

Fiscal Year (ends December 31)	2018	2019	2020	2021	2022
GDP, current prices (KES trillion)	9.34	10.24	10.72	12.03	13.37
GDP, current prices (US\$ billion)	92.20	100.38	100.67	110.35	115.99
Real GDP growth (%)	5.65%	5.11%	-0.25%	7.52%	4.8%
Inflation (%)	5.7%	7.2%	5.6%	5.7%	9.1%
Population (million)	49.95	50.95	51.98	53.00	54.02
Net trade in goods and services (BoP, current US\$ billion)	-8.60	-8.94	-8.01	-10.03	NA
Current Account Balance (% of GDP)	-5.46%	-5.27%	-4.77%	-5.2%	-6%
Total reserves (includes gold, current US\$ billion)	8.16	9.12	8.30	9.49	7.97
External Public Debt (KES trillion)	5.27	6.05	7.28	8.21	NA
Total Debt Service (% of exports of goods, services and primary income)	23.72%	38.38%	29.1%	20.6%	NA
Fiscal Deficit (% of GDP)	-6.91%	-7.39%	-8.10%	-7.1%	-6.0%
Average Exchange Rate (KES/US\$)	101.29	102.06	106.47	109.65	117.87

\* Sources: World Bank Data, Central Bank of Kenya, Country Economy (<https://countryeconomy.com/>), Fitch Rating, IMF, AfDB,

\*\* NA = Not Available



## Vietnam Macro Situation

Moody's Sovereign Credit Rating	Standard & Poor's Sovereign Credit Rating	Fitch Sovereign Credit Rating	COFACE Country Risk Assessment
Ba2/Stable	BB+/Stable	BB/Positive	B

(All ratings as of the end of August 2023)

Vietnam's economy experienced a strong rebound in 2022, with growth reaching 8.0%, exceeding its average rates of 7.1% from 2016 to 2019. Key contributors to the Vietnam's GDP in 2022 were the service sector (contributing 41% of GDP), industry and construction sector (38% of GDP), and the agriculture, forestry and fishery sector (12% of GDP). The 8% growth was partly due to a low base effect, driven by a rebound in domestic private consumption following COVID-19 and solid performance in export-oriented manufacturing. However, the public sector's contribution to growth was limited due to weak execution of public investment programs. While employment recovered to pre-COVID-19 levels in 2022, weaker global demand led to slowing orders and exports in the fourth quarter of 2022, and renewed labor market pressures.

In 2023, Vietnam's economic growth slipped to 3.7% in the first half due to weak demand in key export markets, while manufacturers have been dealing with both falling orders and electricity cuts due to power shortages. Vietnam's manufacturing export sector has faced increasing headwinds due to slowing growth in the US and EU, which are two key export markets accounting for over 40% of Vietnam's goods exports. Vietnam's goods exports fell by 12.3% year-on-year in the first five months of 2023.

Reflecting domestic and external headwinds, GDP growth is expected to slow to 4.7% (Source: World Bank) in 2023. The services-sector growth will moderate as low base-effects from post-COVID-19 fade. The main driver of growth will be domestic demand, which may be affected by higher estimated inflation (4.5% average) in 2023. Given softer external demand, contribution of net exports will weigh on growth. The economy is expected to benefit from the partial implementation of the capital investment of the 2022-2023 Economic Support Program.

Consumer Price Index ("CPI") inflation averaged 3.1 percent in 2022. For the first seven months of 2023, the average CPI rose by 3.12% over the same period of 2022. The inflation is within the range of Central Bank's target 4.5% for 2023. Vietnam's Central Bank has reduced rates four times since the start of 2023. The refinancing rate now stands at 4.5%, discount rate at 3.0% and the electronic interbank rate at 5.0%. The move would support Vietnam's manufacturing-led economy at a time of weak global demand and slower credit growth.

The Central Bank of Vietnam has set the credit growth in 2023 to be about 14-15%. Recently it has lowered credit growth for this year to 14%. This in part reflects the slower than expected lending growth. In the first half of FY 2023, the lending growth was below 5% owing to weakened export and real estate sector. In 2022, the government-initiated reforms related to capital raising within the real estate sector, which slowed bond issuances. This included an anti-corruption crackdown on developers with dubious track records. However, the aforementioned rate cuts are expected to support the sector.

### Annual Indicators<sup>38</sup>

Fiscal Year (ends March 31)	2018	2019	2020	2021	2022
GDP, current prices (VND trillion)	7009	7707	8044	8479	9513
GDP, current prices (US\$ trillion)	0.28	0.31	0.33	0.35	0.37
Real GDP growth (%)	7.46	7.36	2.87	2.56	8.02
Inflation (%)	3.54	2.80	3.22	1.83	3.16
Trade Balance (US\$ billion)	12.86	19.14	20.42	1.96	Not Available
Current Account Balance (% of GDP)	1.93	3.92	4.34	-1.04	Not Available
Total Reserves (US\$ billion)	55.45	78.33	94.83	109.37	86.54
Government Debt (% of GDP)	43.5	40.8	41.3	39.3	37.1
Fiscal Balance (% of GDP)	-1.0	-0.4	-2.9	-3.4	-1.4

Source: world bank  
[chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://thedocs.worldbank.org/en/doc/b991970a7f5096ab093720e27d5f0b68-0500012021/related/data-vnm.pdf](https://chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://thedocs.worldbank.org/en/doc/b991970a7f5096ab093720e27d5f0b68-0500012021/related/data-vnm.pdf)  
<https://tradingeconomics.com/vietnam/government-debt-to-gdp>  
<https://www.gso.gov.vn/en/data-and-statistics/2023/01/socio-economic-situation-in-the-fourth-quarter-and->  
<https://www.ft.com/content/fdc6370a-d191-4592-9dab-9ae4dfadbada>

**Appendix B**  
**Sida Loan Portfolio Guarantee Agreement**

# **PORTFOLIO GUARANTEE AGREEMENT**

**between**

**SWEDISH INTERNATIONAL DEVELOPMENT  
COOPERATION AGENCY**

**as Guarantor**

**and**

**WLB ASSET VI Pte Ltd and  
IMPACT INVESTMENT EXCHANGE Pte Ltd  
as Guaranteed Party**



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**THIS PORTFOLIO GUARANTEE AGREEMENT IS ENTERED INTO BETWEEN:**

1. **SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY**  
a government agency under the law of Sweden,

hereafter “Sida” or the “**Guarantor**”;

**AND**

2. **WLB ASSET VI Pte. Ltd.**, a private company limited by shares incorporated under the law of Mauritius with company registration number 201405, whose registered office is located at Level 3, Alexander House, 35 Cybercity, Ebene 72201, Mauritius, represented by Annita Yeo Shiao Lian, Dinesh Sunnoo and Girishwaree Jowohir, in their capacity as Directors, duly authorised signatory, (“**WLB**”)

3. **IMPACT INVESTMENT EXCHANGE Pte Ltd**, a private limited company incorporated under the law of the Republic of Singapore, registered with Accounting and Corporate Regulatory Authority of Singapore under number 200905347D, whose registered office is located at 16 Collyer Quay, #20-01 Collyer Quay Centre, Singapore 049318, represented by Mr Robert Kraybill, in his capacity as Chief Investment Officer, duly authorised signatory, (“**IIX**”)

2. and 3. individually referred to as “**Guaranteed Party**” or “**WLB**” or “**IIX**” (where applicable), jointly referred to as “**Guaranteed Parties**”). For avoidance of doubt, where the “Guaranteed Party” has as an obligation or liability under this Guarantee Agreement, such obligation or liability shall be deemed to be assumed (solely with respect to itself and not to the other Guaranteed Party) by each of WLB and IIX.

**WHEREAS**

- (A) The Government of Sweden has authorised Sida to furnish guarantees as part of Sida’s international development cooperation program for the purpose of supporting economic, social and environmentally sustainable development in developing countries, which is implemented to assist developing countries.
- (B) The purpose of the Sida guarantee is to strengthen the Guaranteed Parties’ ability to provide loans to microfinance institutions and impact enterprises across South and Southeast Asia and Africa with the goal of empowering women to transition to sustainable livelihoods through access to both capital and resources and opportunities to participate in the labor force. The guaranteed loans shall be funded with proceeds from a bond issuance, thus mobilizing capital from private investors through the capital markets. A significant portion of the guaranteed loans will have a climate-action lens by supporting mitigation or adaptation and to be in the least developed countries.
- (C) In the context of its business, WLB grants Loans to Borrowers.
- (D) IIX is the portfolio manager for the Women’s Livelihood Bond Series, including for the Women’s Livelihood Bond 6 (“**WLB6**”), which is intended to be issued by WLB. Under a portfolio management agreement to be entered into between IIX and WLB, IIX will advise WLB on the origination of a portfolio of Loans to Borrowers and monitor and report on the financial and impact performance of the Borrowers. The WLB6 is aligned with the Orange

Bond Principles (as published on October 31st, 2022) and is intended to be listed on the Singapore Exchange following its issuance.

- (E) The Guaranteed Parties has requested Sida to bear a portion of the risk of payment default borne by WLB under certain Loans granted by it to certain Borrowers, which Sida has agreed to through the issuance of a guarantee on the terms and conditions set out herein.
- (F) The Guarantee provided under this Guarantee Agreement aims to support the extension of Eligible Loans to Eligible Borrowers.

## TITLE I SPECIFIC TERMS AND CONDITIONS

### 1. Purpose

The purpose of this Guarantee Agreement is to set out the terms and conditions pursuant to which the Guarantor agrees to issue a guarantee in order to cover part of the Eligible Loans which will be included in the Guaranteed Portfolio.

### 2. Specific Terms Applicable to the Guarantee

FEATURES OF THE GUARANTEE	
<b>Guarantee Percentage:</b>	40 % (forty percent) which corresponds to the portion of the principal loss that Sida agrees to bear for each Guaranteed loan.
<b>Applicable Currency:</b>	For fee payments and recoveries: USD For claim payments: USD For lending: United States Dollar (USD), Indian Rupee (INR), Indonesian Rupiah (IDR), as applicable.
<b>Guaranteed Party Retention:</b>	The Guaranteed Party shall retain risk on Eligible Loans not covered by Guarantee Percentage at its own risk and may not insure or otherwise arrange for external risk coverage for such retained risk.
<b>Guarantee Ceiling:</b>	The Guarantee Ceiling represents the Guarantor's maximum liability amount towards the Guaranteed Party under this Guarantee Agreement and shall not exceed the lesser of 38 480 000 USD and 453 679 200 SEK.
<b>Cumulative Guaranteed Loan Ceiling:</b>	96 200 000 USD, with the principal amount of each Guaranteed Loan that is denominated in a currency other than USD being determined (i) in the case of a Guaranteed Loan for which the Guaranteed Party has entered into a cross-currency swap to hedge its foreign exchange risk on or prior to the disbursement of the Guaranteed Loan, as the USD notional amount specified in the confirmation for such swap, and (ii) in all other cases, by conversion into USD at the Exchange Rate applicable as of the date of the loan disbursement for such Guaranteed Loan.  The aggregated, cumulative principal amount of all Guaranteed Loans covered under this Guarantee Agreement and included in

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	the Guaranteed Portfolio during the Availability Period shall not exceed this Cumulative Guaranteed Loan Ceiling.
<b>Availability Period:</b>	<p>The period during which an Eligible Loan can be included in the Guaranteed Portfolio shall start and automatically expire at the following terms:</p> <ul style="list-style-type: none"> <li>- starting date: Signature Date</li> <li>- expiry date: the earliest of the following dates: <ul style="list-style-type: none"> <li>- 7 (seven) months as from the Signature Date;</li> <li>- the date on which this Guarantee Agreement would be early terminated in accordance with Clause 19 (<i>Termination of the Guarantee Agreement</i>) of this Guarantee Agreement;</li> <li>- the date on which the Available Guarantee Amount in view of the Utilized Guarantee Amount no longer allows the inclusion of new Eligible Loans in the Guaranteed Portfolio; and</li> <li>- the last Business Day of any calendar month on which no new USD-denominated Loan, by virtue of the minimum principal amount condition in II(d) of Schedule 1 (<i>Eligibility criteria</i>) of this Guarantee Agreement, could become an Eligible Loan in light of the Cumulative Guaranteed Loan Ceiling.</li> </ul> </li> </ul>
<b>Eligibility Criteria of the Loans:</b>	The eligibility criteria allowing the Guaranteed Party to assess if a Loan is an Eligible Loan are set out in Schedule 1 ( <i>Eligibility criteria</i> ) of this Guarantee Agreement.
<b>Inclusion of Eligible Loans in the Guaranteed Portfolio:</b>	<p>An Eligible Loan shall be deemed included in the Guaranteed Portfolio on its Transaction Date (as evidenced by reporting as per below) provided that such Transaction Date falls during the Availability Period.</p> <p>The Eligible Loans are included in the Guaranteed Portfolio in the chronological order of their Transaction Dates.</p> <p>The inclusion of an Eligible Loan in the Guaranteed Portfolio can take place only if its Transaction Date falls during the Availability Period. No new inclusion will be possible after the expiry of the Availability Period.</p> <p>The inclusion of an Eligible Loan in the Guaranteed Portfolio shall be evidenced by the inclusion of such Loan in the Reporting to be drawn up by the Guaranteed Party as of the Cut-Off Date following the Transaction Date of such Loan and delivered to the Guarantor in accordance with Clause 18.1 (<i>Reporting</i>) of this Guarantee Agreement, provided that if such Loan is not included</p>

	<p>in such Reporting, it will no longer be capable of being included in the Guaranteed Portfolio.</p> <p>The Guarantor is under no obligation to verify if the Loans included in the Guaranteed Portfolio are Eligible Loans. Such verification is of the sole responsibility of the Guaranteed Party and the Guaranteed Party shall ensure that the appropriate due diligence and verification procedures are put in place and properly applied within its organisation.</p> <p>A Loan that have already been granted prior to the execution of this Guarantee Agreement may not be covered by the Guarantee.</p>												
<b>FEE</b>													
<b>Fee:</b>	<p>In consideration of the Guarantee commitment of the Guarantor, WLB shall (unless otherwise agreed in writing and signed by the parties to this Guarantee Agreement) pay to the Guarantor a fee denominated in USD by each date as specified below:</p> <table border="1"> <thead> <tr> <th>Fee payment date</th><th>Amount (in USD)</th></tr> </thead> <tbody> <tr> <td>2023 - 45 days after Signature Date</td><td>230 400</td></tr> <tr> <td>1 December 2024</td><td>230 400</td></tr> <tr> <td>1 December 2025</td><td>230 400</td></tr> <tr> <td>1 December 2026</td><td>230 400</td></tr> <tr> <td>1 December 2027</td><td>230 400</td></tr> </tbody> </table>	Fee payment date	Amount (in USD)	2023 - 45 days after Signature Date	230 400	1 December 2024	230 400	1 December 2025	230 400	1 December 2026	230 400	1 December 2027	230 400
Fee payment date	Amount (in USD)												
2023 - 45 days after Signature Date	230 400												
1 December 2024	230 400												
1 December 2025	230 400												
1 December 2026	230 400												
1 December 2027	230 400												
<b>CONTACT DETAILS</b>													
<b>Contact details of Sida:</b>	<p>Swedish International Development Cooperation (Sida) Box 2025 SE-174 02 Sundbyberg Sweden</p> <p>Email: <a href="mailto:garanti@sida.se">garanti@sida.se</a></p> <p>Attention:</p> <p><i>Before effectiveness of this Guarantee Agreement:</i> Head of GARBERED</p> <p><i>After effectiveness of this Guarantee Agreement:</i> Head of GARANALYS</p>												
<b>Contact details of the Guaranteed Parties:</b>	<p><b>WLB ASSET VI Pte Ltd</b> Level 3, Alexander House, 35 Cyberville, Ebene 72201, Mauritius</p>												



	<p>Email: wlbteam@iixglobal.com and/or wlb6@cscgfm.com</p> <p><b>IMPACT INVESTMENT EXCHANGE Pte Ltd</b></p> <p>16 Collyer Quay #20-01 Collyer Quay Centre Singapore (049318)</p> <p>Email: info@iixglobal.com</p>
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### 3. **Conditions Precedent to Signing and Effectiveness**

**Conditions Precedent to Signing.** This Guarantee Agreement shall be executed by the Parties provided that the following conditions precedent are met to the satisfaction of the Guarantor:

- (a) a copy of the minutes of the resolutions of the board of directors (or any other competent corporate body) of each Guaranteed Party approving the terms of this Guarantee Agreement and authorising one or several specified persons to sign this Guarantee Agreement in the name and on behalf of each Guaranteed Party, together with their specimen signatures;
- (b) an officer certificate from a senior officer or director of each Guaranteed Party certifying that the representations contained in the Guarantee Agreement are true and complete with respect to such Guaranteed Party.
- (c) a copy certified as a true copy by the legal representative of each Guaranteed Party of the up-to-date articles of association (or an equivalent document in the country of incorporation of the Guaranteed Party) of each Guaranteed Party;
- (d) an original certificate of incorporation (or an equivalent document in the country of incorporation of the Guaranteed Party) of each Guaranteed Party with the competent commercial registry or any other competent authority dated no earlier than six (6) months prior to the date hereof; and

**Conditions Precedent to Effectiveness.** The Guarantee provided herein shall become effective subject to:

- (i) the Conditions Precedent listed above being fulfilled to the Guarantor's satisfaction no later than on the Signature Date;
- (ii) evidence satisfactory to the Guarantor that a total amount of at least 60 million USD has been made available or firmly committed by the Investors to WLB no later than 30 March 2024;
- (iii) the first fee payment of 230 400 USD paid within 45 days after the Signature Date;
- (iv) signing of the Trust Deed, the Subordinated Note Purchase Agreement and the Portfolio Management Agreement on terms satisfactory to the Guarantor no later than 30 March 2024 and;

(v) a written declaration of effectiveness signed by the Guarantor no later than 30 March 2024, stating that the aforementioned provisions have been fulfilled and indicating the relevant date of effectiveness.

## TITLE II GENERAL TERMS AND CONDITIONS

### CHAPTER I Definitions and Interpretation

#### 4. Definitions

Unless the context requires otherwise, capitalised terms used in this Guarantee Agreement, including the preamble, the Specific Terms and Conditions and the Schedules, have the meaning ascribed to them hereafter.

**"Affiliate"** means, with respect to any person, (a) any other person that is directly or indirectly Controlled by, under common Control with, or Controlling such person, (b) any officer or director of such person, or (c) any spouse or relative of such person.

**"Aggregate Outstanding Guarantee Amounts"** means, at any time, the aggregate amount of all the Outstanding Guarantee Amounts of the Guaranteed Portfolio.

**"Applicable Currency"** means the currency designated as such in the Specific Terms and Conditions.

**"Authorisation"** means any consents, registrations, filings, conventions, certificates, authorisations, approvals, permits and/or mandates, or any exemptions thereof, obtained from or provided by an Authority, whether granted by means of an explicit act or deemed granted following an absence of answer within a defined time limit, as well as any approvals and consents granted by the managing bodies, creditors and owners of the Guaranteed Party.

**"Authority"** means any government, department or commission exercising a public prerogative, administration, court, arbitral tribunal, agency or state, governmental, administrative, tax or judicial entity.

**"Availability Period"** means the period identified as such in the Specific Terms and Conditions.

**"Available Guarantee Amount"** means

- (a) on the Signature Date, the applicable Guarantee Ceiling;
- (b) at any time after the Signature Date, an amount equal to:
  - (i) the applicable Guarantee Ceiling; minus
  - (ii) the aggregate amount of Claim Amounts paid (or in the course of being paid) by the Guarantor to the Guaranteed Party under this Guarantee Agreement.

**"Bank Account of the Guarantor"** means the bank account open in the name of Sida and the details of which have been notified to the Guaranteed Party by a duly authorised representative of the Guarantor.

**"Bank Account of the Guaranteed Party"** means the bank account open in the name of WLB and the details set out in the Claim Request or any other bank account the details of which have been notified to the Guarantor by a duly authorised representative of WLB.

**"Borrower"** means any debtor under a Loan granted by the Guaranteed Party.

**"Business Day"** means a full day other than a Saturday or a Sunday on which banks are open for business in Stockholm.

**"Business Relationship"** means any professional or commercial contractual relationship established between a third party and the Guaranteed Party and related to the activities of the latter.



**“Calendar Quarter”** means, for each calendar year, each of the following periods: 1<sup>st</sup> January – 31<sup>st</sup> March 1<sup>st</sup> April – 30 June 1<sup>st</sup> July – 30 September, 1<sup>st</sup> October – 31<sup>st</sup> December.

**“Claim Amount”** means the amount determined in accordance with Clause 12 (*The Claim Process*) of this Guarantee Agreement.

**“Claim Request”** means a claim request substantially in the form set out in Schedule 3 (*Form of Claim Request*) of this Guarantee Agreement.

**“Control”** or **“to Control”** means possession, directly or indirectly, of power to direct or cause the direction of management or policies, whether through ownership of securities or partnership or other ownership interests, by contract, or otherwise, of any person and, in any event, possession, directly or indirectly, of more than 50% of the voting or economic interest in any person.

**“Corruption”** means the following:

- (a) the promise, offering or giving, to any person in its professional capacity, directly or indirectly, of an undue advantage of any nature, for the person himself or herself or another person or entity, in order for that person to act or refrain from acting in the exercise of his or her duties;
- (b) the solicitation or acceptance by any person in its professional capacity, directly or indirectly, of an undue advantage of any nature, for the person himself or herself or another person or entity, in order for that person to act or refrain from acting in the exercise of his or her duties.

**“Coverage Period”** has the meaning ascribed to this term in Clause 10 (*Coverage Period*) of this Guarantee Agreement.

**“Cut-Off Date”** means 31 March and 30 September in each calendar year.

**“Eligible Borrower”** means a Borrower complying with the eligibility criteria set out in Schedule 1 (*Eligibility criteria*) of this Guarantee Agreement.

**“Eligible Loan”** means a Loan complying with eligibility criteria set out in Schedule 1 (*Eligibility criteria*) of this Guarantee Agreement.

**“Embargo”** means any sanction of commercial nature the purpose of which is to prohibit the importations and exportations (supply, sale or transfer) of one or several categories of goods, products or services to or from a State for a certain period of time, as published and modified by the United Nations or the European Union.

**“Exchange Rate”** means, for any relevant day when conversion is due to be made under this Guarantee Agreement:

- (a) the spot rate of exchange of the Applicable Currency (or any other relevant currency) with SEK on such day as determined by the Swedish Central Bank (Riksbanken) or, if such rate is unavailable, another source of rate of exchange as determined by the Guarantor,
- (b) the spot rate of exchange of any two currencies other than SEK on such day as determined by a source of rate of exchange determined by the Guarantor,

**“Excluded Activity”** means any of the excluded activities or sectors set out in the list attached as Schedule 2 (*List of excluded sectors or activities*) of this Guarantee Agreement, as unilaterally amended or replaced from time to time by the Guarantor.

**“Financial Sanctions List”** means the lists of persons, groups or entities which are subject to United Nations or European Union financial sanction as determined by any of these entities from time to time.

**“Fraud”** means any manoeuvre (action or omission) the purpose of which is to mislead a person, intentionally dissimulate elements or vitiate its consent, avoid any legal or regulatory obligation and/or breach internal rules applicable to the Guaranteed Party or of a third party in order to obtain an undue advantage.

**“General Terms and Conditions”** means this Title II (*General Terms and Conditions*).

**“Guaranteed Loan”** means an Eligible Loan covered by the Guarantee.

**“Guaranteed Portfolio”** means, on any given date, all the Guaranteed Loans.

**“Guarantee”** has the meaning ascribed to this term in Clause 6 (*Guarantee Commitment*) of this Guarantee Agreement.

**“Guarantee Agreement”** means this agreement, including its schedules.

**“Guarantee Ceiling”** means the amount designated as such in the Specific Terms and Conditions.

**“Guarantee Percentage”** means the percentage designated as such under the Specific Terms and Conditions.

**“Guarantor”** means Sida.

**“Guaranteed Party”** means the entity or entities identified in this capacity in the Specific Terms and Conditions.

**“Insolvency Proceeding”** means, for any entity or person, any of the following events:

- (a) any action is taken to declare this entity or person Insolvent;
- (b) legal proceedings or other procedure or step taken in relation to the suspension of payments of this entity or person or the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer with respect to this entity or person or any of its assets;
- (c) a moratorium of any indebtedness, or a winding-up, dissolution, administration or reorganization of this entity or person; or
- (d) any analogous procedure or step.

**“Insolvent”** means for any entity or person, any of the following events:

- (a) this entity or person is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts; or
- (b) by reason of actual or anticipated financial difficulties, this entity or person commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
- (c) this entity or person is in a state of cessation of payments, or becomes insolvent for the purpose of any insolvency law; or
- (d) a moratorium is declared in respect of any indebtedness of this entity or person.

**“Investor”** means a purchaser of the WLB6 in the initial placement of the WLB6, a majority of which shall be private sector investors.



**“Key Individuals”** means each of Durreen Shahnaz, Robert Kraybill and Natasha Garcha.

**“Loan”** means any loan or credit line which may be extended by WLB to any party.

**“Material Adverse Effect”** means any event or circumstance which has or may have a material adverse effect on the business, assets or financial situation of the Guaranteed Party or its ability to satisfy any of its obligations under this Guarantee Agreement.

**“Other Protection Mechanisms”** means any mechanism of guarantee or protection against the risk of default of the Borrower under the relevant Loan, with a result similar to the result of a guarantee, other than this Guarantee requested by the Guaranteed Party in relation to a Loan, excluding (i) mechanisms which are different in nature from security interests or (ii) guarantees granted by the Borrower or its Affiliates.

**“Outstanding Guarantee Amount”** means, at any time in respect of a Guaranteed Loan, an amount equal to the Guarantee Percentage applied to the amount in principal outstanding under that Guaranteed Loan.

**“Parties”** means Sida and the Guaranteed Party and **“Party”** means any or each of them.

**“Portfolio Management Agreement”** means the portfolio management agreement to be dated on or around the closing date of the WLB6 entered into between (i) WLB, (ii) the Bonds Trustee and (ii) IIX, in relation to the WLB6.

**“Reporting”** has the meaning ascribed to this term in Clause 18.1 (*Reporting*) of this Guarantee Agreement.

**“Reporting Date”** has the meaning ascribed to this term in Clause 18.1 (*Reporting*) of this Guarantee Agreement.

**“SEAH Incident”** means the occurrence, within the Guaranteed Party’s activities or a project financed by a Guaranteed Loan, of sexual exploitation, sexual abuse, and sexual harassment. Sexual exploitation, sexual abuse, and sexual harassment are in this context to be understood as any actual or attempted abuse of a position of vulnerability, differential power, or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of another, the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions, and any form of unwanted verbal, non-verbal or physical conduct of a sexual nature with the purpose or effect of violating the dignity of a person.

**“Signature Date”** means the date of signing by the Parties of this Guarantee Agreement.

**“Specific Terms and Conditions”** means Title I (*Specific Terms and Conditions*) of this Guarantee Agreement.

**“Subordinated Note Purchase Agreement(s)”** means the note purchase agreement to be entered into on or around the date of pricing of the WLB6 by WLB and certain purchasers of subordinated notes to be issued by WLB.

**“Termination Event”** means the termination events referred to in Clause 19.1 (*Termination of the Guarantee Agreement at the request of the Guarantor*) of this Guarantee Agreement.

**“Transaction Date”** means, in relation to an Eligible Loan, the date on which the financing contract relating to that Loan has been signed between the Guaranteed Party and the relevant Borrower.

**“Trigger Event”** means any of the events set out in Clause 11 (*Trigger Event*) of this Guarantee Agreement.

**“Trust Deed”** means the trust deed to be dated on or around the closing date of the WLB6, made between (i) WLB, (ii) IIX, (iii) The Bank of New York Mellon, London Branch (the “Bonds Trustee”) as trustee for the holders of the WLB6 bonds and (iv) The Bank of New York Mellon, London Branch, as security trustee, in relation to the WLB6.

**“Utilized Guarantee Amount”** means an amount equal to the Guarantee Percentage applied to the amount in principal as of the Transaction Date of all Guaranteed Loans that are or have been included in the Guaranteed Portfolio.

## 5. Interpretation

In this Agreement:

- (a) in the event of a contradiction between the terms of the Specific Terms and Conditions and the terms of the General Terms and Conditions, the terms of the Specific Terms and Conditions shall prevail;
- (b) any reference to this Guarantee Agreement, the General Terms and Conditions or the Specific Terms and Conditions, any other agreement or instrument is a reference to such document as amended, restated or supplemented and includes, if applicable, any document which would replace it (as a result of a novation or otherwise), in accordance with the terms of this Guarantee Agreement;
- (c) any reference to a provision of law is a reference to that provision of law as amended or replaced;
- (d) Titles, Chapters, Clauses and Schedules headings are for ease of reference only and shall not influence the interpretation of this Guarantee Agreement;
- (e) Unless otherwise provided, a term used in any other document in relation to this Guarantee Agreement or in any notice given under or in connection with this Guarantee Agreement shall have the meaning ascribed to it under this Guarantee Agreement;
- (f) a reference to a Title, Chapter, Clause or Schedule is a reference to a Title, Chapter, Clause or Schedule of this Guarantee Agreement and the Schedules hereto and the recitals hereof are an integral part of this Guarantee Agreement and have the same legal value;
- (g) any reference to the rights or the obligations of a Party, if unspecified, shall be a reference to the rights or obligations of such Party under this Guarantee Agreement; and
- (h) any reference to a Party or an entity includes a reference to the assignees or successors of such Party or entity.

## CHAPTER II The Guarantee

### 6. Guarantee Commitment

- 6.1 The Guarantor hereby issues guarantee in favour of WLB subject to and in accordance with the terms of this Agreement (the **“Guarantee”**).
- 6.2 The commitment of the Guarantor is limited to principal amounts remaining unpaid under a Guaranteed Loan. As a consequence, the Guarantee does not cover for example and not limited to;



- (a) any fees or penalties of any nature whatsoever;
- (b) any outstanding contractual interest (including resulting from late-payment interest penalties or from any other cause);
- (c) any loss incurred by WLB as a result of a rebate or write-off made by WLB; or
- (d) any expenses, costs and indemnities relating to such Guaranteed Loan.

## **7. Availability Period and Inclusion of Eligible Loans in the Guaranteed Portfolio**

The Availability Period and the conditions pursuant to which an Eligible Loan can be included in the Guaranteed Portfolio are set out in the Specific Terms and Conditions.

## **8. Withdrawal of a Guaranteed Loan from the Guaranteed Portfolio**

8.1 A Guaranteed Loan shall be withdrawn from the Guaranteed Portfolio if such Guaranteed Loan is subject to any of the following events, as determined by the Guarantor:

- (a) it was not an Eligible Loan on its Transaction Date (including if the Borrower is included in one of the Financial Sanctions Lists); or
- (b) after its Transaction Date, Corruption or Fraud for which the Guaranteed Party is responsible has occurred in the project financed by the Loan; or
- (c) any material information provided by the Guaranteed Party to the Guarantor in relation to that Loan (including through the Reportings) is incomplete, inaccurate or misleading when provided; or
- (d) the management and/or recovery of the Guaranteed Loan does not comply with the duty of care principles set out in Clause 15 (*Duty of Care Principles*) of this Guarantee Agreement and such non-compliance, according to the reasonable opinion of the Guarantor, may affect the proper recovery of the amount due under such Guaranteed Loan; or
- (e) the terms of the Loan have been modified in contradiction with the requirements set out in Clause 16 (*Renegotiation and Restructuring of the Guaranteed Loans*) of this Guarantee Agreement;

The Guarantor shall be entitled to:

- (a) refuse to pay any Claim Amount in relation to such Loan (including when a Claim Request is pending); and
- (b) repayment by WLB of any Claim Amount already paid by the Guarantor to WLB in relation to such Loan.

8.2 The withdrawal of a Loan from the Guaranteed Portfolio shall not have any impact on the fees already paid by the Guaranteed Party to the Guarantor. Such fees shall be definitively retained by the Guarantor.

8.3 Unless otherwise agreed in writing between the Guarantor and the Guaranteed Party, the withdrawal of a Guaranteed Loan from the Guaranteed Portfolio as a result of the application of the reasons set out in Clause 8.1 above or any other reason (such as its normal repayment)



does not result in making available again to the Guaranteed Party the part of the Utilized Guarantee Amount allocated to such Guaranteed Loan.

- 8.4 It is hereby acknowledged and agreed that only the Guarantor (and not the Guaranteed Party) may withdraw a Guaranteed Loan from the Guaranteed Portfolio in the circumstances described in Clause 8.1 above.

### **CHAPTER III**

#### **Utilizing the Guarantee**

#### **9. General**

Upon the occurrence of a Trigger Event in relation to a Guaranteed Loan, WLB shall be entitled to utilize the Guarantee. The terms and conditions applicable to this mechanism are set out in this Chapter.

#### **10. Coverage Period**

The Coverage Period during which the WLB is entitled to request coverage under the Guarantee shall start on the Signature Date and shall automatically be terminated upon the occurrence of the earlier of:

- (a) the first anniversary date following the final maturity date of the Guaranteed Loan having the latest final maturity date;
- (b) 4,5 (four and a half) years from the date of this Guarantee Agreement;
- (c) the date on which the Guaranteed Portfolio is fully terminated (following the normal repayment of the amounts due by the Borrowers and, if any, following the payment by the Guarantor to WLB of any Claim Amount contemplated under the Guarantee); or
- (d) the date on which this Guarantee Agreement is terminated in accordance with the terms of Clause 19 (*Termination of the Guarantee Agreement*) of this Guarantee Agreement.

#### **11. Trigger Event**

The Guaranteed Party can request to utilize the Guarantee upon the occurrence of the following events affecting a Guaranteed Loan after its inclusion into the Guaranteed Portfolio ("**Trigger Event**"):

- (a) the Eligible Borrower is in a payment default situation as of the date on which all or part of the Guaranteed Loan has become due and payable and either (i) the Guaranteed Party has accelerated such Guaranteed Loan following the occurrence of an acceleration event of default, or any other event having similar consequences however contractually defined, or (ii) the final maturity date of the Guaranteed Loan has passed, and the full principal amount in default has not been paid within 90 days after the date the defaulted Guaranteed Loan has become immediately due and payable following written demand upon the defaulting Eligible Borrower for full payment of all amounts due;
- (b) reasonable collection efforts have been diligently pursued during such 90 days period against the defaulting Eligible Borrower and any other entity or person that may be liable on the Guaranteed Loan, in accordance with applicable laws and standard lending

practice in the country or countries where the defaulting Eligible Borrower and its assets are located; and

- (c) after such collection activities, the Guaranteed Party has either (i) certified to the Guarantor that it has written off the entire outstanding balance (including principal and interest) of the Guaranteed Loan as a bad debt expense, or (ii) certified to the Guarantor that it is (A) unable, because of legal impediment or significant impracticality, to take the action described in (i) above, and (B) has established a specific provision of funds (which is evidenced on its balance sheet or income statement) for possible loan losses associated with the default by the defaulting Eligible Borrower, and the amount of such provision equals or exceeds twenty (20) percent of the amount of defaulted principal. The Guaranteed Party can request to utilize the Guarantee only once per Guaranteed Loan.

## **12. The Claim Process**

### **12.1 Claim Request**

- 12.1.1 Upon the occurrence of a Trigger Event, the Guaranteed Party shall, at the latest within two (2) months after the end of the Calendar Quarter during which such Trigger Event has occurred, inform the Guarantor of the occurrence of such event.
- 12.1.2 The Guaranteed Party shall request to utilize the Guarantee within one (1) year from the date on which the Trigger Event has been notified to the Guarantor in accordance with the terms of Clause 12.1.1 above and in any event within 180 (one hundred eighty) days after the expiry of the Coverage Period. Upon the expiry of this timeframe, the Guaranteed Party shall be deemed to have waived its right to request utilization under the Guarantee for the Guaranteed Loan affected by the Trigger Event and the Guarantor shall be automatically discharged from its payment obligation in relation to that Guaranteed Loan.
- 12.1.3 A condition for utilizing the Guarantee is that the Guaranteed Party has paid all amounts due under this Guarantee Agreement, such as, but not limited to, any fees due under the Specific Conditions. In order to utilize the Guarantee, WLB shall deliver to the Guarantor a Claim Request in the form set out in Schedule 3, together with the following documents for each of the Guaranteed Loans referred to in the Claim Request:
  - (a) the loan agreement entered into between WLB and the Borrower (including the loan amortisation schedule);
  - (b) the list of any security interest, guarantee and insurance effectively taken (including those taken after the Transaction Date of the relevant Guaranteed Loan) and realised (if applicable);
  - (c) certification of write-off or comparable actions in accordance with Clause 11(c) above.
  - (d) evidence of the amounts due by the Borrower to WLB under the Guaranteed Loan (such as, for instance, an extract or a screen print from the management system of the Guaranteed Party); and
  - (e) documents evidencing the occurrence of the Trigger Event and indication of the date of its occurrence, such as an acceleration letter sent to the Borrower pursuant to which the term of the Guaranteed Loan has been accelerated.
- 12.1.4 The Claim Request shall be accompanied by a letter issued by the Guaranteed Party's bank assuring: bank account holder, bank account number, IBAN (if applicable), SWIFT/Bic-code

*WLB*



as well as the currency of the account. Subsequent disbursement requests need to be accompanied by a new bank letter only if WLB has made any changes regarding any of the above-mentioned bank details.

- 12.1.5 Any Claim Request delivered to the Guarantor which does not conform to the requirements set out in this Clause shall be considered as void and of no effect.

## **12.2 Determination of the Claim Amount**

- 12.2.1 The Claim Amount shall be calculated on the basis of the information set out in the Claim Request and, for each Guaranteed Loan, shall be equal to the Guarantee Percentage applied to the principal remaining unpaid under the relevant Guaranteed Loan (the "**Claim Amount**"). If currency conversion is applicable, the Claim Amount shall be determined (i) in the case of a Guaranteed Loan for which the Guaranteed Party has entered into a cross-currency swap to hedge its foreign exchange risk on or prior to the disbursement of the Guaranteed Loan, as the USD notional amount specified in the confirmation for such swap, and (ii) in all other cases, by conversion into USD at the Exchange Rate applicable as of the date of the loan disbursement for such Guaranteed Loan.

- 12.2.2 Independently of the amount obtained as a result of the calculation made in accordance with Clause 12.2.1 above, the Claim Amount shall not exceed any of the following limits:

- (a) the outstanding amount of principal remaining due under the Guaranteed Loan as shown in the latest Reporting delivered to the Guarantor; or
- (b) the Available Guarantee Amount.

For the purposes of paragraph (b) above, the Claim Amount shall be converted in SEK at the Exchange Rate applicable as of the date of loan disbursement.

- 12.2.3 The Guarantor shall be entitled to request from the Guaranteed Party any additional information required by Guarantor to assess the Claim Amount in accordance with Clause 12.4 (*Additional information*) of this Guarantee Agreement and, where appropriate, submit to the Guaranteed Party a revised amount for the Claim Amount which will be the amount to be effectively paid by the Guarantor.

## **12.3 Payment of the Claim Amount**

Within two (2) months from the receipt by the Guarantor of the Claim Request, the Guarantor shall pay the Claim Amount to WLB on the Bank Account of WLB, provided that the Guarantor may suspend the payment of any Claim Amount in the following circumstances:

- (a) a Termination Event is ongoing, or
- (b) the relevant Guaranteed Loan may be withdrawn from the Guaranteed Portfolio pursuant to Clause 8 (*Withdrawal of a Guaranteed Loan from the Guaranteed Portfolio*) of this Guarantee Agreement; or
- (c) it has made requests for additional information or documents and such requests are still in the process of being provided by the Guaranteed Party or the additional information or documents so delivered are still under review by the Guarantor.

## **12.4 Additional information**

The Guarantor shall be entitled to request at any time to the Guaranteed Party the delivery of any information or documents relating to any Guaranteed Loan subject to a Claim Request and

which the Guarantor considers as relevant. In this respect, the Guarantor may request from the Guaranteed Party, without limitation, the following information or documents:

- (a) any documents which might be required to evidence that the Guaranteed Loan qualifies as an Eligible Loan;
- (b) a memorandum setting out the reasons why a Borrower is in default under a Guaranteed Loan, the recovery actions undertaken by the Guaranteed Party and their outcome;
- (c) the copy of all the contractual documentation relating to a Guaranteed Loan, such as the loan agreement and any security agreement or guarantee as well as evidence of the effectiveness of any security interest; and
- (d) any element required to assess the calculation of any Claim Amount.

### **13. Post-claim Recoveries**

#### **13.1 Duty to pursue collection**

After a Trigger Event has occurred, the Guaranteed Party shall continue to diligently pursue all reasonable collection efforts against the defaulting Borrower for as long as commercially reasonable and in accordance with the Guaranteed Party's standard collection procedures and policies.

#### **13.2 Subsequent recoveries**

If at any time following the date on which the Claim Amount has been paid by the Guarantor to the Guaranteed Party, the Guaranteed Party recovers new amounts under the Guaranteed Loan (including by way of set-off or pursuant to the enforcement of any security interest or guarantee or after the exercise of any recourse of whatsoever nature (including in the context of a pre-insolvency or insolvency proceeding), WLB shall pay to the Guarantor the amounts so recovered pro rata of the Guarantee Percentage (and up to a total amount not exceeding the sum of the Claim Amount paid to it by the Guarantor) within ninety (90) days upon receipt of such new amounts after deducting any reasonable costs and expenses associated with the collection.

In the recovery process, the Guaranteed Party shall act in a diligent and professional manner in line with its own standards. The Guaranteed Party shall promptly inform the Guarantor of the recovery actions it may undertake and the outcome of such recovery actions. The Guaranteed Party shall also provide to the Guarantor any document or information which the Guarantor may request in this respect.

### **14. Assignment of the Guaranteed Loans to the Guarantor**

- 14.1 At the Guarantor's request (which may be made at any time upon payment of the Claim Amount by the Guarantor with respect to the Guaranteed Loan to which such payment relates), WLB shall execute an assignment to the Guarantor, in form and substance acceptable to the Guarantor, of the Guaranteed Party's rights to receive the share of net recoveries due to the



Guarantor and/or to pursue collection of the Guarantor's pro rata share of net recoveries under such Guaranteed Loan.

## **CHAPTER IV**

### **Management of the Guaranteed Loans**

#### **15. Duty of Care Principles**

- 15.1 The Eligible Loans must be made at terms substantially consistent with those generally prevailing among private commercial lenders in the country of the incorporation of the Borrower, taking into account the Guarantee. The Guaranteed Party shall comply with all its obligations under each of the Guaranteed Loans and ensure that such Guaranteed Loans are managed and recovered in a diligent and professional manner in line with its own standards as if there were no Guarantee. In this respect, the Guaranteed Party shall exercise its rights and obligations in a diligent and professional manner and ensure that any security interest or guarantee granted to it has been validly taken and all the relevant publications and registrations have been duly completed.
- 15.2 If a Trigger Event occurs in respect of a Guaranteed Loan, the Guaranteed Party shall, as soon as possible, complete any required diligences and undertake all the actions useful or necessary to recover the amounts due to it and protect its rights, including, if needed, by enforcing any security or interest or guarantee securing the Guaranteed Loan affected by the Trigger Event. The Guaranteed Party shall inform the Guarantor on a regular basis of the actions undertaken and the outcome of the recovery actions. The Guaranteed Party shall also provide to the Guarantor any document or information which the Guarantor may request in this respect.

#### **16. Renegotiation and Restructuring of the Guaranteed Loans**

The Guaranteed Party shall not without prior written approval from the Guarantor agree with a Borrower to:

- (a) extend the term of, or materially amend any of the Guaranteed Loan's conditions or any repayment events (i.e. time or amount) under the Guaranteed Loan; or
- (b) alter the date for, or alter the currency of, or increase the amount of, any capital commitment, payment of principal, interest, margin, fee, commission or any other amount payable under the Guaranteed Loans, provided, however, that the Guaranteed Party may (without prior written approval from the Guarantor) accept one or more late payments from a Borrower under a Loan or grant a waiver to non-material defaults of a Borrower under a Loan.

In case the changes referred to in (a) and (b) does not lead to an increased risk or increased liability for the Guarantor, as determined by the Guarantor, the Guarantor shall not unreasonably object to such changes.

## CHAPTER V

### Representations, Warranties and Undertakings

#### **17. Representations and Warranties of the Guaranteed Party**

The Guaranteed Party makes the representations and warranties set out in this Clause 17 (*Representations and Warranties of the Guaranteed Party*) to the Guarantor on the date hereof, solely with respect to itself and not to the other Guaranteed Party. Such representations and warranties are deemed to be repeated on each Reporting Date and each time that a Claim Request is made.

##### **17.1 Status**

17.1.1 The Guaranteed Party is a private limited company incorporated and validly existing under the laws of its jurisdiction of incorporation.

The Guaranteed Party has all requisite power to validly own its assets and to carry out its business as currently conducted. The Guaranteed Party's articles of association or constitutional documents comply with all applicable laws and regulations.

##### **17.2 Authority, capacity and Authorisations**

17.2.1 The Guaranteed Party has all the requisite power to execute and deliver this Guarantee Agreement and to perform the obligations arising from it, to conduct its business in compliance with its corporate purpose with which this Guarantee Agreement is in compliance and has taken all the necessary actions in this respect (including obtaining all the required Authorisations).

17.2.2 All the Authorisations required in this respect are in full force and effect, complied with and there is no circumstance which the Guaranteed Party is aware of which may result in their withdrawal, non-renewal, modification or cancellation in whole or in part.

##### **17.3 No insolvency**

Neither the Guaranteed Party nor any parent company of the Guaranteed Party (if applicable) is Insolvent or subject to any Insolvency Proceeding.

##### **17.4 Binding obligations**

The obligations of the Guaranteed Party under this Guarantee Agreement are in compliance with the laws and regulations applicable to the Guaranteed Party and constitute valid and binding obligations of the Guaranteed Party, enforceable in accordance with their terms. They are effective against the Guaranteed Party and can be enforced by a court of law.

##### **17.5 Legality of the Guarantee Agreement**

This Guarantee Agreement complies with all the laws and regulations applicable in the jurisdiction of incorporation of the Guaranteed Party.

##### **17.6 Non-conflict**

The execution and performance of its obligations under this Guarantee Agreement do not conflict with any domestic or international law or regulation applicable to the Guaranteed Party or any of its articles of association or constitutional documents (or similar documents) or any agreement or instrument binding upon the Guaranteed Party or affecting any of its assets and is not in breach of any judgment or decision (whether final or having a provisional executory force) to which the Guaranteed Party is a party.



#### **17.7 Admissibility in evidence**

All the required Authorisations to make this Guarantee Agreement admissible as evidence in the courts of the jurisdiction of incorporation of the Guaranteed Party have been obtained and are in full force and effect, and there are no proceedings or circumstances of any nature whatsoever which could result in the withdrawal, non-renewal, suspension or modification, in whole or in part, of any such Authorisations.

#### **17.8 Accurateness of information, complete documents**

Any document delivered by the Guaranteed Party to the Guarantor as conditions precedent or conditions subsequent to signing of this Guarantee Agreement are, as the case may be, originals or full and complete copies of the originals and have not been modified or amended in whatsoever way and the Guaranteed Party has not omitted to provide to the Guarantor any information which, if it had been provided, would have made such documents inaccurate or misleading.

#### **17.9 No event or circumstance with a Material Adverse Effect**

The Guaranteed Party is not aware of any event or circumstance which has or may have a Material Adverse Effect.

#### **17.10 Financial statements**

All the accounting and financial statements provided to the Guarantor either as a condition precedent to the signing of this Guarantee Agreement or pursuant to Clause 18.3 (*Financial statements*) of this Guarantee Agreement (i) have been established in accordance with the generally accepted accounting principles of the jurisdiction of the Guaranteed Party; (ii) are a true and faithful presentation of its assets, financial situation and earnings as of the date on which they have been established for the relevant financial year and (iii) have not been subject to any reservations from its external auditors.

#### **17.11 Illicit Origin, Corruption, Fraud and others**

The Guaranteed Party represents and warrants to the Guarantor that:

- (a) its own capital funds and, as regards WLB, the funds lent to the Borrowers are not subject to any money laundering;
- (b) its activities do not give rise to any Corruption or Fraud;
- (c) there is no dispute nor any proceeding pending before any Authority against it in relation to any Corruption or Fraud nor to its knowledge, any threat of such an action;
- (d) it has not been subject to any sentence for Corruption or Fraud or similar practice over the past five (5) years; and
- (e) it or the persons having powers of representation, decision making or control over the Guaranteed Party have not been the subject of a final judgement or a final administrative decision for fraud, corruption, involvement in a criminal organisation, money laundering, terrorist related offences, child labour, trafficking in human beings or for an irregularity affecting the European Union's financial interest or if they have been the

subject of such final judgment or final administrative decision, appropriate measures have been adopted by the Guaranteed Party against such persons.

**17.12 Financial Sanctions Lists**

Neither the Guaranteed Party nor any of its Borrowers are on one of the Financial Sanctions Lists.

**17.13 Registration costs and stamp duty**

Save for the case where the Guaranteed Party has otherwise informed the Guarantor in writing, it is not required under the laws of the jurisdiction of incorporation of the Guaranteed Party for this Guarantee Agreement to be filed, recorded or enrolled with any court or other Authority in that jurisdiction and no stamp duties, registration costs or similar tax is due and/or payable on or in relation to this Guarantee Agreement or the transactions contemplated therein.

**17.14 Free transfer of funds**

The amounts due by the Guaranteed Party under this Guarantee Agreement are freely transferable to Sweden or, if not, all the required Authorisations have been obtained, are in full force and effect and are complied with.

**17.15 Applicable Law and exequatur**

17.15.1 The choice of the Swedish substantive law as governing law of this Guarantee Agreement shall be recognized and enforced by courts and the arbitral tribunals of the jurisdiction of incorporation of the Guaranteed Party, as applicable.

17.15.2 Any judgment of any court or any award by an arbitral tribunal in relation to this Guarantee Agreement, as applicable, will be recognized and enforced in the jurisdiction of incorporation of the Guaranteed Party.

**17.16 Social responsibility**

The Guaranteed Party respects human rights and applicable environmental legislation, including multilateral environmental agreements, as well as internationally agreed core labour standards.

**17.17 Key Individuals**

The Guaranteed Party shall ensure that the Key Individuals (i) in the case of Durreen Shahnaz and Robert Kraybill, continue to directly or indirectly control the Guaranteed Party and (ii) continue to devote the majority of their professional time to IIX and/or WLB, in each case unless Sida consents in writing to any such change.

**18. Undertakings of the Guaranteed Party**

The undertakings of the Guaranteed Party set out in this Clause 18 (*Undertakings of the Guaranteed Party*) shall remain in force as long as this Guarantee Agreement will be in force or as long as amounts will remain (or may remain) due by the Guaranteed Party under it.

**18.1 Reporting**

18.1.1 The Guaranteed Party shall establish on a semi-annual basis a reporting on the full and up-to-date list of the Guaranteed Loans as of respectively 30 June and 31 December (the "Cut-Off Dates"), including the reference of this Guarantee Agreement and the information set out in

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Schedule 4 (Information to be included in each Reporting) of this Guarantee Agreement (the "Reporting") which encompass in addition to Guaranteed Loans specifics on Guarantee Reporting Data and Guarantee Future Estimation.

- 18.1.2 The Guaranteed Party shall deliver to the Guarantor at the latest on 30 September and 30 April of each year (the "Reporting Dates") a Reporting relating to the calendar semester which has ended on the immediately preceding Cut-Off Date.
- 18.1.3 The Guaranteed Party shall deliver to the Guarantor semi-annual impact reports relating to WLB6 within 15 days after such reports are due to be provided to the Investors.

## **18.2 Information**

The Guaranteed Party undertakes to:

- (a) receive representatives of the Guarantor on-site for an interview at least once a year for the purposes of allowing the Guarantor to complete its risk and results review;
- (b) provide to the Guarantor any information that the Guarantor (acting reasonably) may request regarding without limitation, its financial situation, its ownership, its directors, officers and legal representatives, laws and regulations applicable to its activity or the Guaranteed Loans and the underlying projects;
- (c) if requested by the Guarantor, identify "show cases" and assist the Guarantor on a reasonable efforts basis in obtaining information on these; and
- (d) immediately inform the Guarantor of the occurrence of any event which:
  - (i) constitutes a SEAH Incident;
  - (ii) constitutes or may constitute a Termination Event;
  - (iii) may justify the withdrawal of Guaranteed Loan from the Guaranteed Portfolio pursuant to the terms of Clause 8 (*Withdrawal of a Guaranteed Loan from the Guaranteed Portfolio*) of this Guarantee Agreement; or
  - (iv) has or may have a Material Adverse Effect.

## **18.3 Financial statements**

The Guaranteed Party shall provide to the Guarantor as soon as it becomes available and at the latest within six (6) months from the end of each financial year, the annual audited financial statement (individual and/or, if any, consolidated) (including any accounting annex) of WLB and IIX. The financial statements shall consist of a balance sheet, a cash flow statement, an income statement including notes and an independent audit report.

## **18.4 Change of control**

The Guaranteed Party shall without undue delay inform the Guarantor of (i) any change in its ownership which is required by law to be made public and (ii) any transaction which may result in or has resulted in a change of Control affecting it directly or indirectly.

## **18.5 Business Relationship**

The Guaranteed Party undertakes to:

- (a) not enter into a Business Relationship (and/or if subsequently made aware shall immediately cease such Business Relationship) with any entity, group or person listed on one of the Financial Sanctions Lists; and
- (b) not finance equipment, services or sectors which are under Embargo.

## **18.6 Illicit Origin, Corruption and Fraud**

The Guaranteed Party undertakes to:

- (a) ensure that its own capital funds or the funds lent to the Borrowers are not subject to Corruption or money laundering, and, if any, immediately inform the Guarantor if it is or becomes aware of any information which may lead to a suspicion on the origins of such funds; and
- (b) ensure that its activities do not give rise to any money laundering, Corruption or Fraud and, if it is or becomes aware of such a situation, take the necessary actions, within a reasonable timeframe and at the satisfaction of the Guarantor, in order to ensure that such situation is cured.

## **18.7 Preventing and fighting of money laundering and financing of terrorism**

The Guaranteed Party shall:

- (a) apply to its customers due diligence procedures compliant with the norms prescribed by the Financial Action Task Force (FATF);
- (b) comply with applicable EU legislation and guidelines, present or future, and international and European Union standards, present or future, on the prevention of money laundering, the fight against terrorism, tax avoidance, tax fraud and tax evasion;
- (c) not support projects that contribute to money laundering, terrorism financing, tax avoidance, tax fraud and tax evasion;
- (d) allow the Guarantor (or any third party appointed by the Guarantor) to verify or to arrange for the verification of the manner in which the Guaranteed Party complies with its due diligence obligations in connection with the prevention and fighting of money laundering and financing of terrorism.

## **18.8 SEAH Incidents**

The Guaranteed Party shall take all reasonable actions to prevent and respond to SEAH Incidents.

## **18.9 Conflict of interests**

The Guaranteed Party shall refrain from any action which may give rise to a conflict of interests. There is a conflict of interests where the impartial and objective exercise of the functions of any person implementing this Guarantee Agreement is compromised for reasons involving family, personal life, political or national affinity, economic interest or any other connection or shared interest with another person.

## **18.10 Data protection**

- 18.10.1 The Parties shall ensure an appropriate protection of personal data in accordance with applicable laws and regulations.

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- 18.10.2 In the performance, management and monitoring of this Guarantee Agreement, the Guarantor may process personal data of the Guaranteed Party or its employees, contractors, borrowers or other individuals involved in the implementation of this Guarantee Agreement.
- 18.10.2 Pursuant to the Guarantor's obligations under the EU General Data Protection Regulation 2016/679 (GDPR), the Guarantor have issued a Data Protection Notice to Guaranteed Party and the Guaranteed Party hereby acknowledges receipt thereof. The Data Protection Notice shall not form part of this Guarantee Agreement. The Guaranteed Party shall ensure that any of its employees, contractors, borrowers and other individuals involved in the implementation of this Guarantee Agreement whose personal data are transferred to the Guarantor, promptly receive and take note of the information provided in the Guarantor's Data Protection Notice.
- 18.10.3 The Guaranteed Party shall reasonably assist the Guarantor in the Guarantor's response to any request of the Guaranteed Party's employees, contractors, borrowers and other individuals involved in the implementation of this Guarantee Agreement under Articles 15 to 22 GDPR.

#### **18.11 Maintenance of records**

- 18.11.1 The Guaranteed Party undertakes, and shall procure that each Borrower undertakes, to prepare and maintain available for the Guarantor, the following documentation:
- (i) information necessary to verify that the use of the Guarantee is in compliance with the terms of this Guarantee Agreement;
  - (ii) information necessary to verify the appropriate implementation of the terms of this Guarantee Agreement into the contracts evidencing Guaranteed Loans;
  - (iii) information regarding the payment, servicing and recovery procedures of the Guaranteed Party;
- and
- (iv) any other information which may reasonably be required by the Guarantor from time to time.

#### **18.12 Transfer of Benefit**

The Guaranteed Party shall ensure that the amount of the Guarantee Fee that is subsidised by the Guarantor will not directly benefit the Guaranteed Party but the underlying borrowers/guarantee beneficiaries.

Upon request from the Guarantor, the Guaranteed Party shall deliver to the Guarantor a written report (in a form satisfactory to the Guarantor acting reasonably), which may be by email, setting out the following information for the relevant period:

- (a) the actual interest rate paid to WLB by underlying borrowers, derived from the accumulated guaranteed portfolio
- (b) the actual interest rate paid WLB by underlying borrowers derived every individual loan in the guaranteed portfolio.
- (c) The expected interest rate from the guaranteed portfolio that would be possible to be paid to WLB by underlying borrowers in the absence of subsidy; and
- (d) The theoretical required interest rate to be paid by the underlying borrowers to WLB based on the risk adjusted return expectations of the owners, in the absence of subsidy.

## CHAPTER VI Miscellaneous

### 19. Termination of the Guarantee Agreement

#### 19.1 Termination of the Guarantee Agreement at the request of the Guarantor

19.1.1 Each of the following events and circumstances shall constitute a termination event of this Guarantee Agreement (the "**Termination Events**"):

- (a) the Guaranteed Party fails to pay within five (5) Business days from a due date any amount due under this Guarantee Agreement, such as, but not limited to, any fees due under the Specific Terms and Conditions;
- (b) the Guaranteed Party does not comply with any material provision of this Guarantee Agreement, and such non-compliance, if capable of remedy, has not been remedied within five (5) Business Days following the earlier of:
  - (i) the date on which the Guaranteed Party has become aware of such breach; and
  - (ii) the date on which such breach has been notified by the Guarantor to the Guaranteed Party;
- (c) any Authorisation required for the Guaranteed Party to be able to benefit of this Guarantee Agreement, fulfil or comply with any of its obligations hereunder is not obtained on time, cancelled, has expired or is no longer in full force and effect or sufficient;
- (d) IIX becomes Insolvent or subject to an Insolvency Proceeding;
- (e) IIX or WLB becomes subject to a change of Control (whether direct or indirect);
- (f) it becomes unlawful for the Guaranteed Party or the Guarantor to fulfil any of its obligations under this Guarantee Agreement; or

19.1.2 At any time after the occurrence of a Termination Event, the Guarantor shall be entitled to, without further notice or any other judicial or extra-judicial preliminary or subsequent step, deliver to the Guaranteed Party a notification in writing pursuant to which:

- (a) all or part of the Guarantee commitment of the Guarantor is immediately and automatically terminated with no further formality, provided that a Termination Event described in paragraphs (c)-(g) of Clause 19.1.1 shall not affect the Guarantor's Guarantee commitment with respect to any Eligible Loan already included in the Guarantee Portfolio; and
- (b) the Guarantor requests WLB and WLB is obliged to:
  - (i) in case of a breach of paragraph (b) of Clause 19.1.1 above only, immediately repay to the Guarantor all the amounts paid to WLB by the Guarantor; and
  - (ii) immediately pay any accrued fees and other amounts due by the Guaranteed Party to the Guarantor up to the date of such notification.

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## **19.2 Termination of the Guarantee Agreement at the request of the Guaranteed Party**

- 19.2.1 The Guaranteed Party can deliver to the Guarantor a notice of early termination of this Guarantee Agreement, subject to a four (4) months prior notice starting from the date on which such notice has been received by the Guarantor. Such notice of early termination shall be sent by way of letter with acknowledgement of receipt.
- 19.2.2 This Guarantee Agreement shall be terminated as from the expiry of the four (4) months prior notice period referred to above, subject to the Guaranteed Party has paid to the Guarantor (i) all the fees due up to the date on which the four (4) months prior notice period expires on the basis of the fees payment schedule established until that date and (ii) any other amounts due by the Guaranteed Party to the Guarantor under this Guarantee Agreement.

## **20. Monitoring and audits**

- 20.1 The Guarantor has no duty to monitor or verify, and shall not be responsible for monitoring or verifying, the use of any amounts made available by the Guaranteed Party to the Borrowers pursuant to the Guaranteed Loans. Notwithstanding this, the Guaranteed Party shall supply to the Guarantor any information requested by it in relation to the Eligible Loans, notably in order to allow the Guarantor to assess if a Guaranteed Loan is an Eligible Loan and if its inclusion in the Guaranteed Portfolio is in compliance with the terms of this Guarantee Agreement.
- 20.2 To enable the monitoring, control and auditing of the appropriate use of the Guarantee and compliance with the provisions of this Guarantee Agreement, the Guaranteed Party acknowledges and agrees that the Guarantor shall have the right to carry out audits and other forms of controls of the Guaranteed Party and the Borrowers. The Guarantor shall also have the right to request information in respect of this Guarantee Agreement and its performance (including access to any document, accounting data and computerised data relating to the technical and financial management of the operations supported by the Guarantee). The Guaranteed Party shall permit monitoring visits and inspections by the Guarantor of its business operations and of projects financed by Eligible Loans, including books and records which are in connection with this Guarantee Agreement or its performance. As these controls may include on the spot checks and inspections of the Guaranteed Party, the Guaranteed Party shall permit access to its premises to the Guarantor during normal business hours.

## **21. Liability of the Guarantor**

Except in the event of gross misconduct or Fraud from the Guarantor, the Guarantor shall not be held liable towards the Guaranteed Party or any other entity or person for any costs, expenses, losses or damages incurred as a result of:

- (a) the exercise by the Guarantor of its rights and prerogatives under this Guarantee Agreement; or
- (b) any act, omission or error from the Guarantor or any of its representatives in the context of this Guarantee Agreement.

## **22. Taxes and additional costs**

### **22.1 Registration costs**

WLB shall directly pay or, as the case may be, reimburse the Guarantor if the Guarantor has made any advances thereon, any stamp duty, registration costs and other similar taxes to which this Guarantee Agreement might be subject to.

### **22.2 Withholding tax - gross-up on payments**

All the payments to be made by the Guaranteed Party under this Guarantee Agreement shall be made free and clear of any taxes, levies, duties or withholding taxes. The Guaranteed Party expressly undertakes to increase the amount of any such payments by an amount which leaves the Guarantor with an amount equal to the payment which would have been received by it if no deduction of tax, levy, duty or withholding tax had been required.

## **23. Administration of the Guarantee Agreement**

### **23.1 Set-off**

23.1.1 The Guaranteed Party expressly waives any right it may have to make a set-off of whatsoever nature of any payment due by it pursuant to this Guarantee Agreement against any sum owed to it by the Guarantor. As a result, the amounts due by the Guaranteed Party under such payments shall always be calculated and paid without taking into account any set-off.

23.1.2 The Guarantor may at any time set-off any unpaid amount due to it by the Guaranteed Party with any amount due and payable by the Guarantor to the Guaranteed Party. If such amounts are denominated in different currencies, the Guarantor shall be entitled, for the purpose of the conversion, to convert one or the other amount by using the Exchange Rate on the date such calculation is made.

### **23.2 Business Day**

Any payment which is due on a day other than a Business Day shall be made on the immediately preceding Business Day.

### **23.3 Calculations and determinations**

Any calculation or determination made by the Guarantor (including in relation to any amount due under this Guarantee Agreement or the determination of any limit, threshold or cap) shall, except in the event of a manifest error or miscalculation, be binding on the Guaranteed Party.

### **23.4 Daily accrual**

Any interest, commission or fees due under this Guarantee Agreement shall accrue on the basis of the actual number of days elapsed, compared to a year of three hundred and sixty (360) days.

### **23.5 Default interest**

If either Party (the "Payer") fails to pay in full any sum due from it under this Guarantee Agreement to the other party (the "Payee") on the due date for payment of the sum, then interest shall accrue (as well after as before judgement) on the unpaid balance of the sum from day to day with the Default Interest Rate. Interest shall be payable by the Payer upon demand of the other Party. "Default Interest Rate" means relevant base rate as determined by the Guarantor plus two (2) percent per annum.

### **23.6 Currency of payment, place of payments, bank account details**



- 23.6.1 Unless otherwise provided under this Guarantee Agreement or otherwise agreed between the Parties in writing and subject to the terms of Clause 24.7 (*Change in the Applicable Currency*) below, any payment to be made under this Guarantee Agreement shall be made in the Applicable Currency.
- 23.6.2 Unless otherwise agreed between the Parties in writing, any amount due by the Guaranteed Party to the Guarantor under this Guarantee Agreement shall be paid to the Guarantor on the Bank Account of the Guarantor.
- 23.6.3 In relation to payments to be made by the Guaranteed Party to the Guarantor, the Guaranteed Party undertakes to request the bank in charge of the wire transfers to indicate in their entirety and in the following order the information below in the SWIFT M 202 and 103 wire transfer messages:
- Principal: name, address, bank account number (field 50);
  - Principal's bank (field 52); and
  - Reference: name of the Guaranteed Party, reference of this Guarantee Agreement (field 70).
- 23.6.4 Any payment to be made by one of the Parties to the other Party under or in connection with this Agreement shall be made upon written payment request from the requesting party. The following complete bank details shall be included in the written payment request: • Name of bank • Bank account holder, • Bank account number, • IBAN (if applicable), • SWIFT/Bic-code (USA/Canada: Fed Wire/ABA routing), • Currency of the account.
- 23.6.5 Only payments made in accordance with the requirements of this Clause (or, if any, in accordance with the terms of the Specific Terms and Conditions) shall be deemed to constitute a valid payment.

### **23.7 Change in the Applicable Currency**

If a new currency starts to have legal tender in the jurisdiction of the Guaranteed Party (either replacing the Applicable Currency or having for effect that such jurisdiction is now recognising two or more currencies as having legal tender), the Guarantor and the Guaranteed Party shall discuss the consequences of such situation on this Guarantee Agreement. In any event, the Guarantor shall be entitled to request that all or part of the payments to be made under this Guarantee Agreement shall be made in SEK if no satisfactory solution is found.

### **23.8 Undue payments**

If at any time the Guarantor makes a payment and it subsequently appears that such payment was undue, the Guaranteed Party shall return such payment within five (5) Business Days from the date on which its undue nature has been discovered.

## **24. Miscellaneous**

### **24.1 Language**

- 24.1.1 The language of this Guarantee Agreement is English. If a translation is made thereof, the English version shall always prevail in the event of conflicting interpretations of the terms of this Guarantee Agreement or disputes between the Parties.
- 24.1.2 Any communication made or document provided under or in connection with this Guarantee Agreement shall be written in English.

- 24.1.3 If such communication or document is not written in English and if the Guarantor so requests, it shall be accompanied with a certified English translation and, in this event, the English translation shall prevail, except if the relevant document is the articles of association of a company, a legal text or any other document having an official nature.

#### **24.2 Partial invalidity**

- 24.2.1 If for any reason whatsoever, it appears that any term of this Guarantee Agreement is invalid, unenforceable, void or in breach of the public order, the Parties hereby acknowledge and agree that notwithstanding the importance or the essential nature of such term, all the other terms shall remain valid and enforceable between the Parties.
- 24.2.2 To the extent necessary, the Parties may enter into an amendment to this Guarantee Agreement in order to include a provision equivalent to any provision which has been held as being invalid, unenforceable, void or in breach of the public order.

#### **24.3 No waiver**

- 24.3.1 The Guarantor shall not be deemed to have waived a right under this Guarantee Agreement only because it has not exercised it or it has delayed its exercise.
- 24.3.2 The partial exercise of a right is not an impediment to its later exercise or more generally to the exercise of any other rights and recourses provided by law.

#### **24.4 Assignments, changes to the Parties**

- 24.4.1 The Guaranteed Party cannot assign or transfer, in any manner whatsoever, all or part of its rights and/or obligations under this Guarantee Agreement without the prior written consent of the Guarantor.
- 24.4.2 The Guarantor may at any time assign its rights and obligations hereunder to another Swedish public entity.

#### **24.5 Cancellation of the preceding agreements**

This Guarantee Agreement, as of the date hereof, represents the entire agreement between the Parties relating to the subject matter hereof, and therefore supersedes and replaces all previous documents, agreements or understandings which may have been exchanged or communicated as part of the negotiation of this Guarantee Agreement.

#### **24.6 Amendment to the Guarantee Agreement**

An amendment to this Guarantee Agreement can be made only in writing and must be signed by all the Parties

#### **24.7 Survival of Rights**

The terms of Clauses 20 (*Monitoring and audits*) to 26 (*Governing law, Settlement of Disputes, jurisdiction and election of domicile*) and any other right accrued at the date of termination of this Guarantee Agreement shall survive the termination of this Guarantee Agreement, including without limitation, any rights of the Guarantor under Clause 19.1 (*Termination of the Guarantee Agreement at the request of the Guarantor*) and, in the event that Clause 19.1.2(b)(i) is not applicable, any rights of the Guarantor under Clause 13 (*Post-Claim Recoveries*).

#### **24.8 Confidentiality**

- 24.8.1 The Guarantor may disclose any information or document in relation to this Guarantee Agreement to:



- (a) any auditors, rating agencies, advisers or supervisory bodies;
- (b) any governmental, banking, tax or regulatory authority;
- (c) any potential or actual assignee or successor in its rights and/or obligations under this Guarantee Agreement;
- (d) any person or entity for the purpose of taking any protective measure or protecting its rights and interests;
- (e) any third party entitled to information or document according to binding laws and regulations applicable to the Guarantor, including the Swedish Public Access to Information and Secrecy Act (2009:400) and the Swedish Freedom of the Press Act (1949:105).

24.8.2 Each Party may communicate on the conclusion of this Guarantee Agreement and its existence in the context of its institutional communication without the prior consent of the other Party.

24.8.3 The Guarantor shall have the right to publish this Guarantee Agreement and any documents or other informational data relating thereto on its internet site for transparency purposes ([www.openaid.se](http://www.openaid.se)) provided that such disclosure complies with the Swedish Public Access to Information and Secrecy Act (2009:400) and the Swedish Freedom of the Press Act (1949:105).

#### **24.9 Counterparts; Electronic Execution**

The Agreement may be signed in separate counterparts each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement in an electronic format (including .pdf or .jpeg file format) shall be effective as delivery of a manually executed counterpart of this Agreement.

### **25. Notifications**

#### **25.1 Form of the notifications**

Unless otherwise stipulated in this Guarantee Agreement, any notification, request or communication between the Parties under or in connection with this Guarantee Agreement shall be made by e-mail or letter (sent with acknowledgement of receipt if deemed necessary by the sender) or hand delivery.

#### **25.2 Contact details**

26.2.1 For the purposes of Clause 25 (*Notifications*), any notice, request or communication between the Parties under or in connection with this Guarantee Agreement (including any invoice or payment notice relating to the fees due by the Guaranteed Party to the Guarantor) shall be made to the contact details set out in the Specific Terms and Conditions.

26.2.2 Each Party can modify its contact details by notifying in writing to the other Party its new contact details.

#### **25.3 Receipt**

26.3.1 Any notice, request or communication made, or any document sent by a Party to the other Party shall be effective:

(a) when made by letter, provided that it has been deposited at the correct address, on the date on which it has been received; and

(b) when made by email, upon receipt in a readable form;

and where a responsible person or a department has been specified in the applicable contact details of the recipient, on the condition that the notice, request or communication has been addressed to such person or department.

26.3.2 Any notice, request or communication which becomes effective after 5:00 p.m. (local time of the place of receipt) at the address, specified for the purposes of this Guarantee Agreement, of the Party to which the relevant communication is sent, shall be deemed only to become effective on the following Business Day.

26.3.3 Any notice, request or communication meant to be addressed by the Guaranteed Party to the Guarantor, shall be effective only once delivered to the Guarantor in accordance with the terms of this Clause 25 (*Notifications*).

## **26. Governing law, Settlement of Disputes, jurisdiction and election of domicile**

26.1 This Guarantee Agreement is governed by the substantive laws of Sweden without regard to its conflict of law rules.

26.2 Any dispute, controversy or claim arising out of or in connection of this Guarantee Agreement, or the breach, termination or validity thereof, that cannot be settled amicably, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitral tribunal shall be composed of a sole arbitrator. The seat of arbitration shall be Stockholm and the language to be used in the proceedings shall be English.



## Schedule 1. Eligibility criteria

A Loan shall qualify as an Eligible Loan only if it meets the following conditions:

- (a) the debtor is a Borrower who complies with the eligibility criteria set out in Section I below; and
- (b) its features comply with the eligibility criteria set out in Section II below;

provided that such criteria may be amended, completed or waived under the Specific Terms and Conditions.

### **I – Eligibility criteria applicable to the Borrowers**

A Borrower shall be an Eligible Borrower only if it complies with all the eligibility criteria set out below on the Transaction Date relating to the relevant Loan under which it is a debtor:

- (a) it is located, and is acting from, India, Cambodia, Kenya, Indonesia, or Vietnam;
- (b) it is not an Affiliate of the Guaranteed Party;
- (c) it is not Insolvent or subject to an Insolvency Proceeding and to the best of the knowledge of the Guaranteed Party it is not about to become Insolvent or subject to an Insolvency Proceeding;
- (d) it does not, to the best of the Guaranteed Party's knowledge, carry out an Excluded Activity;
- (e) it is not listed in one of the Financial Sanctions Lists;
- (f) it is not, to the best of the Guaranteed Party's knowledge, engaged in Corruption or Fraud including Fraud against the European Union's Financial Interests; and
- (g) it or the persons having powers of representation, decision making or control over the Borrower have not been, to the best of the Guaranteed Party's knowledge, the subject of a final judgement or a final administrative decision for fraud, corruption, involvement in a criminal organisation, money laundering, terrorist related offences, child labour, trafficking in human beings or for an irregularity affecting the European Union's financial interest or if they have been the subject of such final judgment or final administrative decision, appropriate measures have been adopted by the Borrower against such persons.

Furthermore, each Borrower, as of the Transaction Date, needs to qualify as a "Financial Inclusion Borrower" or "SME Borrower" pursuant to the below:

#### ***Financial Inclusion Borrower:***

- Clear commitment to or mission of empowering women as demonstrated by ensuring that
  - (i) not less than seventy percent (70%) of the clients of the Eligible Borrowers are underserved (low-income, rural, minority or otherwise economically disadvantaged) women; OR
  - (ii) the clients of Eligible Borrowers are organizations (e.g. microfinance institutions, farmer cooperatives, etc.) that have underserved women as majority of their clients; OR
  - (iii) the Eligible Borrower ring-fences the loan to ensure proceeds impact majority women beneficiaries.
- Key business activities of the Eligible Borrower help achieve one or more of the following primary outcomes:
  - Increased income generation ability or stability of income
  - Increased financial security via savings or insurance
  - Increased ownership of assets (house, land, etc.)
  - Increased productivity or time saving

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- Increased access to essential products or services that improve quality of life for the woman beneficiary or dependent family members (young children, elderly parents)
- Among other outcomes that advance gender equality, climate action, poverty alleviation and other relevant sustainable development outcomes

#### ***SME Borrower:***

- Clear commitment to or mission of empowering women demonstrated by ensuring that
  - (i) not less than seventy percent (70%) of the beneficiaries of the Eligible Borrower are underserved (low-income, rural minority or otherwise economically disadvantaged) women; OR
  - (ii) the Eligible Borrower ring-fences the loan to ensure proceeds impact majority women beneficiaries;
  - (iii) the Eligible Borrower proactively targets women beneficiaries/clients/customers/supply chain workers/employees in an industry where women are underrepresented or where the percentage of women beneficiaries/clients/customers/supply chain workers/employees impacted by the Eligible Borrower is higher than the industry standard; OR
  - (iv) the entity has 30% or higher women in senior leadership positions.

## **II – Eligibility criteria applicable to the Loans**

A Loan shall be an Eligible Loan only if it complies, as of its Transaction Date, with all the eligibility criteria set out below:

- (a) it takes the form of a money lending;
- (b) its contractual maturity is equal to no less than 42 (forty two) and no more than 48 (forty eight) months;
- (c) it is a term loan;
- (d) its outstanding principal amount is at least equal to 1,000,000 (one million) USD or its equivalent in the Applicable Currency and does not exceed 18,000,000 (eighteen million) USD or its equivalent in Applicable Currency.
- (e) it is denominated and repayable only in the Applicable Currency;
- (f) it has been granted to and is held against an Eligible Borrower and the purpose of the Loan shall be to finance:
  - the development and/or provision of products and services that substantially and disproportionately benefit<sup>1</sup> women, girls, or gender minorities including the LGBTQI+ community and other groups facing gender-based and intersectional discrimination;
  - projects or enterprises with a substantially gender diverse and equitable workforce and/or gender inclusive value chains that ensure gender-pay equity and equal workplace and employment-related rights to all regardless of gender identity;

<sup>1</sup> The term 'benefit' refers to substantial positive contributions that (1) avoids and addresses negative impacts including potential human rights risks uniquely faced by women, girls, and gender-minorities; (2) enhances positive impact by addressing basic human needs and adequate standard of living for women, girls, and gender-minorities; and (3) enabling activities that empower.

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- enterprises or organizations that are majority owned by women (51% minimum ownership); OR whose senior leadership (C-suite executives, key decision makers, heads of departments) is minimum 30% women or gender-minorities; and/or
  - to finance other ESG or SDG-aligned projects or initiatives that are intentionally designed to substantially and disproportionately have a positive net impact on women, girls or gender minorities.
- (g) its Transaction Date occurs during the Availability Period;
  - (h) the Loan is not aimed at financing (directly or indirectly) any Excluded Activity;
  - (i) the Loan has been granted in accordance with the relevant applicable laws;
  - (j) the aggregate of (i) the Guarantee Percentage and (ii) the coverage rate provided by Other Protection Mechanisms in relation to a Loan does not exceed 40 % (forty percent) of the outstanding amount of such Loan;
  - (k) other than a debenture issued by a Borrower in India, no Loan is structured as a debt or hybrid securities issuance subscribed or guaranteed by the Guaranteed Party;
  - (l) the Guaranteed Party has the full legal title and ownership of any receivable arising out from the Loan and has not granted any privilege or priority right of whatsoever nature over such Loan;
  - (m) the Loan is evidenced by a written agreement validly entered into between the Borrower and the Guaranteed Party and such agreement creates legal, valid, binding and enforceable obligations in accordance with their terms on each of the parties in accordance with the applicable laws and regulations and such obligations are capable of being enforced in court;
  - (n) the security interests and guarantees attached to the Loan are evidenced by written agreements entered into between the Borrower (or, as the case may be, the relevant guarantor or security provider) and the Guaranteed Party and such agreements create legal, valid, binding and enforceable obligations in accordance with their terms on each of the parties in accordance with the applicable laws and regulations and such obligations are capable of being enforced in court;
  - (o) the inclusion of the Loan in the Guaranteed Portfolio does not contradict any of the contractual terms existing between the Guaranteed Party and the Borrower or any third party;
  - (p) the Guaranteed Party has in its possession all the contractual documentation relating to the Loan, and to the extent necessary, has all the required Authorisations in order to be able to disclose it to the Guarantor in accordance with the terms of this Guarantee Agreement; and
  - (q) no Borrower is listed on a Financial Sanctions List;

## Schedule 2. List of excluded sectors or activities

1. Forced labor<sup>1</sup> or child labor<sup>2</sup>
2. Activities or materials deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase-outs or bans, such as:
  - a) Ozone depleting substances, PCBs (Polychlorinated Biphenyls) and other specific, hazardous pharmaceuticals, pesticides/herbicides or chemicals;
  - b) Wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES); or
  - c) Unsustainable fishing methods (e.g. blast fishing and drift net fishing in the marine environment using nets in excess of 2.5 km in length)
3. Fossil fuels for electric and heat production (extensive); including new investments or support which directly prolongs or expands the use of existing fossil fuel-based alternatives
4. Cross-border trade in waste and waste products, unless compliant to the Basel Convention and the underlying regulations
5. Destruction<sup>3</sup> of High Conservation Value areas<sup>4</sup>
6. Radioactive materials<sup>5</sup> and unbounded asbestos fibers
7. Pornography and/or prostitution.
8. Racist and/or anti-democratic media
9. Illicit drugs classified products
10. Weapons and munitions
11. In the event that any of these following products form a substantial part of a project's primary financed business activities:<sup>6</sup>
  - a) Alcohol beverages (except beer and wine)
  - b) Tobacco
  - c) Gambling, casinos and equivalent enterprises

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<sup>1</sup> Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

<sup>2</sup> Persons may only be employed if they are at least 14 years old, as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art.2), unless local legislation specifies compulsory school attendances or the minimum age for working. In such cases the higher age shall apply.

<sup>3</sup> Destruction means the (1) elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or (2) modification of a habitat in such a way that the area's ability to maintain its role is lost.

<sup>4</sup> High Conservation Value (HCV) areas are defined as natural habitats where these values are considered to be of outstanding significance or critical importance (see <http://www.hcvnetwork.org>).

<sup>5</sup> This does not apply to the purchase of medical equipment, quality control (measurement) equipment or any other equipment where the radioactive source is understood to be trivial and/or adequately shielded.

<sup>6</sup> For companies, "substantial" means more than 10% of their consolidated balance sheets or earnings. For financial institutions and investment funds, "substantial" means more than 10% of their underlying portfolio.



### Schedule 3. Form of Claim Request

[Letterhead of WLB]

From: [...] ( "WLB" or the "Guaranteed Party")

To:

- Swedish International Development Cooperation Agency (the "Sida")

Date: [...]

**Claim Request (Sida Contribution No. [...] / Guarantee Loan no. [...])**

Dear Sir, Madam,

Reference is made to the Guarantee Agreement dated [...] entered into between the Guaranteed Party and Sida (the "**Guarantee Agreement**").

Unless the context requires otherwise, capitalised terms used in this letter have the meaning ascribed to them in the Guarantee Agreement.

Following the acceleration Trigger Event has occurred on [date] in relation to the Guaranteed Loan no. [...] dated [...] entered into with [...] for an amount in principal of [...].

We have established that the Claim Amount in USD for this Guaranteed Loan is determined (i) in the case of a Guaranteed Loan for which the Guaranteed Party has entered into a cross-currency swap to hedge its foreign exchange risk on or prior to the disbursement of the Guaranteed Loan, as the USD notional amount specified in the confirmation for such swap, and (ii) in all other cases, by conversion into USD at the Exchange Rate applicable as of the date of the loan disbursement for such Guaranteed Loan.

We have attached to this Claim Request the details and the supporting documents used for the purpose of establishing the Claim Amount and the other documents required pursuant to Clause 12.1.3 of the Guarantee Agreement, namely:

- the loan agreement entered into between the Guaranteed Party and the Borrower;
- the loan amortisation schedule;
- list of any security interest guarantee and insurance effectively taken (including those taken after the Transaction Date of the relevant Guaranteed Loan) and realised;
- evidence of the amounts due by the Borrower to the Guaranteed Party under the Guaranteed Loan (such as, for instance, an extract or a screen print from the management system of the Guaranteed Party);
- acceleration letter sent to the Borrower pursuant to which the term of the Guaranteed Loan has been accelerated or has passed its final maturity date, and
- certification in respect of the Guaranteed Loan of either write-off in accordance with Clause 11(c) (i) or inability of write-off and establishment of a specific provision of funds in accordance with Clause 11(c) (ii)

The amounts recovered (including by way of set-off or pursuant to the enforcement of any security interest or guarantee is [...]). The amount in principal remaining unpaid is [...].

On this basis, in accordance with Clause 12.2.1 of the Guarantee Agreement, the Claim Amount is [...]. We kindly request you to confirm the accuracy of this amount or, if not, to notify us with a

KAA



revised amount (notably to take into account the limits set out in Clause 12.2.2 of the Guarantee Agreement).

In accordance with the terms of Clause 12.3 (*Payment of the* ) of the Guarantee Agreement, subject to the confirmation by you of the Claim Amount, we kindly request you to pay within two (2) months from the receipt by your services of this Claim Request, the Claim Amount on the Bank Account of the Guaranteed Party.

The Bank Account of the Guaranteed Party (as defined in the Guarantee Agreement) is: [...].

[Attached is a letter issued by the Guaranteed Party's bank assuring: bank account holder, bank account number, IBAN (if applicable), SWIFT/Bic-code as well as the currency of the account.]<sup>2</sup>

Sincerely yours,

WLB

***As Guaranteed Party***

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Name: [.....]

Capacity: [.....]

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<sup>2</sup> Subsequent disbursement requests need to be accompanied by a new bank letter only if the Guaranteed Party has made any changes regarding any of the above-mentioned bank details.

WLB

#### **Schedule 4. Information to be included in each Reporting**


Unless otherwise agreed in writing between the Parties, each Reporting to be delivered by the Guaranteed Party to the Guarantor pursuant to Clause 18.1 (*Reporting*) of this Guarantee Agreement shall be prepared in accordance with the reporting template separately provided by Sida to the Guaranteed Party which include information in the categories of Guarantee Reporting Data, Guarantee Future Estimation and Loan Data.

## Signatures Page

Signed on 22 November 2023:


### SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

#### *As Guarantor*

  
Name: Karin Anette Andersson  
Capacity: Head of Unit for Guarantee Origination,  
Department for Partnerships and Innovations

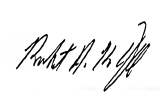
WLB Asset VI Pte. Ltd.

#### *As Guaranteed Party*

  
Name:  
Capacity:

Impact Investment Exchange Pte Ltd

#### *As Guaranteed Party*

  
Name:  
Capacity:

**Appendix C**  
**U.S. Purchaser Letter**

*In connection with any purchase of Bonds (as defined below), persons purchasing the Bonds will be required to execute and return a letter substantially in the form set out below to the following recipients:*

Issuer:  <b>WLB Asset VI Pte. Ltd.</b> Level 3, Alexander House 35 Cybercity Ebene 72201 Mauritius	Transfer Agent:  <b>The Bank of New York Mellon SA/NV, Dublin Branch</b> Riverside II Sir John Rogerson's Quay Grand Canal Dock Dublin 2, Ireland
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\_\_\_\_\_, 20\_\_

WLB Asset VI Pte. Ltd.

The Transfer Agent (as defined below)

and

The Placement Agents (as defined below)

Ladies and Gentlemen:

In connection with its agreement to purchase Women's Livelihood Bonds (the "**Bonds**") of WLB Asset VI Pte. Ltd. (the "**Issuer**"), the undersigned purchaser acknowledges, represents to and agrees with the Issuer, the Transfer Agent and the Placement Agents, as follows (capitalized terms not defined herein are used as defined in the confidential information memorandum dated December 8, 2023 in connection with the offering of the Bonds (the "**Information Memorandum**")):

1. It acknowledges that the Bonds have not been registered under the Securities Act or any applicable state securities laws and agrees on its own behalf and on behalf of any investor account for which it is purchasing Bonds that, for so long as the Bonds are outstanding, the Bonds may not be offered, sold, pledged or otherwise transferred, directly or indirectly, except:
  - a) to the Issuer (though the Issuer is under no obligation to purchase any such Bonds); or
  - b) in the United States or to U.S. persons (within the meaning of Regulation S) to persons who are both "qualified institutional buyers" in reliance on Rule 144A and "qualified purchasers" in accordance with the Investment Company Act; or
  - c) outside the United States to non-U.S. persons (within the meaning of Regulation S) in offshore transactions in reliance on Regulation S;and in each case in compliance with any applicable state securities laws in the United States or securities laws of any other applicable jurisdictions;
2. It acknowledges and represents that that each of the acknowledgements, representations and agreements required of a U.S. Person purchaser, all as set forth under the caption "Transfer Restrictions and Investor Representations – United States" in the Information Memorandum, are true and binding as to itself and any party on whose behalf it may be acting and that it will comply with the same. Paragraphs (1) through (26) under said caption are deemed set out and repeated here;
3. It agrees that upon any transfer, sale or pledge of the Bonds or any interest therein, it will provide a certificate of transfer (and corresponding exit letter) to the Issuer and the Transfer Agent confirming that the transfer was effected in accordance with said transfer restrictions.

The Issuer, the Transfer Agent and the Placement Agents shall be entitled to rely on delivery of an electronic mail or facsimile copy of this U.S. Purchaser Letter, and acceptance by the Issuer of an electronic mail or facsimile copy of this U.S. Purchaser Letter shall create a legal, valid and binding agreement between the Issuer and the undersigned.

By:

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Print Name of Purchaser

By:

---

Name:

Title:

**Appendix D**  
**Second Party Opinions: International Capital Markets Association (ICMA) Sustainability Bond Guidelines, Orange Bond Principles**



## Green, Social and Sustainability Bonds External Review Form

*This form complements the Bond Information Template that should have been filled in by the issuer. It provides additional information on the role of the External Reviewer when assessing the issuer's sustainability framework. This form may be used or adapted, where appropriate, to summarise the scope of the review.*

### Section 1. Basic Information

**Issuer name:** WLB Asset VI Pte. Ltd.

**Bond ISIN<sup>1</sup>:** Women's Livelihood Bond™ 6

**Independent External Review provider's name:** Tameo Impact Fund Solutions SA

**Completion date of this form:** 3 November 2023

### Section 2. Overview

#### SCOPE OF REVIEW

The review:

- ☒ assessed the 4 core components of the Principles (**complete review**) and confirmed the alignment with the SBG.
- ☐ assessed only some of them (**partial review**) and confirmed the alignment with the GBP/SBP/SBG (*delete where appropriate*); please indicate which ones:
  - ☐ Use of Proceeds ☐ Process for Project Evaluation and Selection
  - ☐ Management of Proceeds ☐ Reporting
- ☐ assessed the alignment with other regulations or standards (CBI, EU GBS, ASEAN Green Bond Standard, ISO 14030, etc.); please indicate which ones:

#### ROLE(S) OF INDEPENDENT REVIEW PROVIDER

- ☒ Second Party Opinion ☐ Certification
- ☐ Verification ☐ Scoring/Rating
- ☐ Other (*please specify*):

**Does the review include a sustainability quality score<sup>2</sup>?**

<sup>1</sup> The ISIN code is mandatory for publishing the form in the Sustainable Bond Issuers Database.

<sup>2</sup> The external review may indicate the provider's opinion of the overall sustainability quality of a bond or bond framework and assess whether it has a meaningful impact on advancing contribution to long-term sustainable development.



- |  |  |
|--|--|
| <input type="checkbox"/> Of the issuer         | <input type="checkbox"/> Of the project          |
| <input type="checkbox"/> Of the framework      | <input type="checkbox"/> Other (please specify): |
| <input checked="" type="checkbox"/> No scoring |  |

## ASSESSMENT OF THE PROJECT(S)

### Does the review include:

- ☒ The environmental and/or social features of the type of project(s) intended for the Use of Proceeds?
- ☒ The environmental and/or social benefits and impact targeted by the eligible Green and/or Social Project(s) financed by the Green, Social or Sustainability Bond?
- ☐ The potentially material environmental and/or social risks associated with the project(s) (where relevant)?

## ISSUER'S OVERARCHING OBJECTIVES

### Does the review include:

- ☒ An assessment of the issuer's overarching sustainability objectives and strategy, and the policies and/or processes towards their delivery?
- ☒ An identification and assessment of environmental, social and governance related risks of adverse impact through the Issuer's [actions] and explanations on how they are managed and mitigated by the issuer?
- ☐ A reference to the issuer's relevant regulations, standards, or frameworks for sustainability-related disclosure and reporting?

## CLIMATE TRANSITION STRATEGY<sup>3</sup>

### Does the review assess:

- ☐ The issuer's climate transition strategy & governance?
- ☐ The alignment of both the long-term and short/medium-term targets with the relevant regional, sector, or international climate scenario?
- ☐ The credibility of the issuer's climate transition strategy to reach its targets?
- ☐ The level/type of independent governance and oversight of the issuer's climate transition strategy (e.g. by independent members of the board, dedicated board sub-committees with relevant expertise, or via the submission of an issuer's climate transition strategy to shareholders' approval).
- ☐ If appropriate, the materiality of the planned transition trajectory in the context of the issuers overall business (including the relevant historical datapoints)?
- ☐ The alignment of the issuer's proposed strategy and targets with appropriate science-based targets and transition pathways <sup>4</sup> that are deemed necessary to limit climate change to targeted levels?

<sup>3</sup> Where issuers wish to finance projects towards implementing a net zero emissions strategy aligned with the goals of the Paris Agreement, guidance on issuer level disclosures and climate transition strategies may be sought from the [Climate Transition Finance Handbook](#).

<sup>4</sup> GHG emissions reduction targets that are in line with the scale of reductions required to keep the average global temperature increase to ideally 1.5°C, or at the very least to well below 2°C above pre-industrial temperatures. Science Based Targets Initiative (SBTi) is a branded verification body for science-based targets and SBTi verification is one way for issuers to validate the alignment of their emission reduction trajectories with science-based reference trajectories. In

☐ The comprehensiveness of the issuer's disclosure to help investors assess its performance holistically<sup>5</sup>?

**Overall comment on this section:**

### Section 3. Detailed Review

*Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.*

#### 1. USE OF PROCEEDS

**Does the review assess:**

- ☒ the environmental/social benefits of the project(s)?
- ☒ whether those benefits are quantifiable and meaningful?
- ☒ for social projects, whether the target population is properly identified?

**Does the review assess if the issuer provides clear information on:**

- ☒ the estimated proceeds allocation per project category (in case of multiple projects)?
- ☒ the estimated share of financing vs. re-financing (and the related lookback period)?

**Overall comment on this section:**

Tameo Impact Fund Solutions (Tameo) reviewed the WLB6 Impact Assessment Framework, WLB6 Investor Presentation and the Preliminary Information Memorandum (IM) as provided by the Portfolio Manager to assess the alignment of the WLB6 to the criteria under the first principle of the SBP and the GBP, which is the Use of Proceeds.

Tameo believes that the categories identified as eligible by the Portfolio Manager align with those acknowledged by the GBP and SBP, and are anticipated to result in positive environmental and social impacts, namely: **clean energy, climate action-related investments, affordable basic infrastructure, affordable housing, water and sanitation, employment generation, socioeconomic advancement and empowerment, food security and sustainable food systems and gender equality.**

The Portfolio Manager specifies that the WLB6 will be issued to empower women and girls across South and South-East Asia and East Africa across multiple sectors. Furthermore, 100% of the proceeds will advance Sustainable Development Goal (SDG) 5: Gender Equality by providing financial products and services focused on the empowerment of women entrepreneurs, women-owned microenterprises, and women smallholder farmers. Additionally, 25% to 30% of proceeds will advance SDG 13: Climate Action through Borrowers that specialize in providing loan products such as Water, Sanitation and Hygiene (WASH) loans, particularly targeting climate and water-stressed regions, micro-loans linked to agricultural activities with a focus on sustainable or climate-smart agriculture and loans for women gaining access to clean energy projects.

The entire proceeds of the WLB6 will be used to make loans to nine underlying Borrowers (the "Borrowers") in Kenya, Indonesia, Vietnam, Cambodia, and India. The Portfolio Manager provides an overview of the estimated proceeds allocation per project category, country and sector clearly explaining how each project will contribute to the targets set by the bond as well as to the SDGs. The Portfolio Manager does not make

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addition, ICMA has published a [Methodologies Registry](#) which includes a list of tools to specifically help issuers, investors, or financial intermediaries validate their emission reduction trajectories..

<sup>5</sup> Including information such as the respective contribution (e.g. %) of the different measures to the overall reduction, the total expenses associated with the plan, or the issuer's climate policy engagement.

loans to Borrowers for the purpose of refinancing, it only lends to organizations that can demonstrate that the capital will be used for growth purposes.

The WLB6 offers financial products and services to underserved women in emerging markets through the Borrowers. These services include affordable credit, micro-savings, micro-insurance, Water, Sanitation and Hygiene (WASH) loans, affordable housing loans, agricultural loans for smallholder women farmers, and clean energy solution loans. By enabling access to these services, the bond aims to achieve the following outcomes:

**Income Generation:** Loans support women entrepreneurs, smallholder farmers, and clean energy workers, fostering micro-business growth and stable green jobs, increasing income and sustainability.

**Financial Resilience:** Micro-savings and insurance products enhance women's financial stability, helping them maintain livelihoods during unexpected events like illnesses or disasters.

**Improved Productivity:** Water, Sanitation and Hygiene (WASH) loans optimize women's productivity by reducing time spent on daily tasks, leading to more productive hours.

**Ownership of Assets:** Affordable housing and agricultural loans increase women's asset ownership, providing collateral for formal financial services, enabling economic risks, and elevating earning potential.

**Climate Action:** Improving climate adaptive capacity by providing water and sanitation loans in regions vulnerable to water scarcity caused by climate change. Additionally, agricultural loans support climate-smart farming practices, ensuring sustainable yields amid unpredictable weather. Promoting climate mitigation by supporting SMEs that are majority owned by or employ a majority of women in the workforce in transitioning to clean energy sources, reducing CO2 emissions in the process.

Together, these outcomes aim to empower women by enhancing multi-generational impact, strengthening the Women's Peace and Security (WPS) agenda, and improving community and planetary resilience to environmental shocks and stresses. Ultimately, these efforts seek to enhance gender equality and catalyze the sustainable finance ecosystem.

As an additional measure, the Portfolio Manager formulates action plans and integrates specific clauses into loan agreements when there is an opportunity to enhance the gender or climate perspective for specific Borrowers. These action plans are enforced through a step-up coupon in cases of non-compliance.

In the Reporting section of this document, is further explained how the Portfolio Manager conducts an impact performance assessment. This process includes collecting data from Borrowers on impact indicators and conducting surveys with the Borrower's women clients. The results of this assessment, which quantify the social and environmental benefits, are shared with investors annually and biannually by the Portfolio Manager. Tameo reviewed the documentation related to this process, but it did not measure the actual impact of the expected benefits.

#### **Target Population:**

The Portfolio Manager's goal is to empower underserved women in emerging markets, addressing the financial exclusion and gender-based discrimination they often encounter due to various structural and cultural barriers. The term "underserved" is defined in four key ways when identifying target clients for the Borrowers:

**Low-income:** This refers to women facing economic challenges related to affordability or credit profile.

**Rural or Semi-Urban:** Encompassing women encountering barriers related to access, especially in remote or semi-urban areas.

**Minority:** Including women facing cultural obstacles based on race, ethnicity, or religion.

**Other Gender-Based Discrimination:** The term refers to the social obstacles that an individual may face due to their gender or gender identity.

#### **Estimated share of financing vs re-financing:**

The Portfolio Manager explained that it does not make loans to Borrowers for the purpose of refinancing, it only lends to organizations that can demonstrate that the capital will be used for growth purposes.

## 2. PROCESS FOR PROJECT EVALUATION AND SELECTION

### Does the review assess:

- ☒ whether the eligibility of the project(s) is aligned with official or market-based taxonomies or recognised international standards? Please specify which ones.<sup>6</sup>
- ☒ whether the eligible projects are aligned with the overall sustainability strategy of the issuer and/or if the eligible projects are aligned with material ESG-related objectives in the issuer's industry?
- ☒ the process and governance to set the eligibility criteria including, if applicable, exclusion criteria?
- ☒ the processes by which the issuer identifies and manages perceived social and environmental risks associated with the relevant project(s)?
- ☒ any process in place to identify mitigants to known material risks of negative social and/or environmental impacts from the relevant project(s)?

### Overall comment on this section:

Tameo examined the WLB Series Impact Management Overview document, which outlined the IIX Series Portfolio Construction Approach, the Do No Harm Approach, and the methodology applied for the gender and climate lens approach. This evaluation aimed to assess the consistency of the Portfolio Manager's processes regarding official sector taxonomies alignment and climate impact lens selection for Borrowers, in relation to the Process for Project Evaluation and Selection principle of the GBP and the SBP. Tameo also assessed how the Portfolio Manager identifies and manages perceived social and environmental risks related to the projects. Tameo is of the opinion that the Portfolio Manager clearly defines climate objectives, definitions, and selection criteria in accordance with OECD Development Assistance Committee (DAC) Rio Markers, as outlined in the documentation. Tameo notes that no specific climate targets have been defined by the Portfolio Manager in terms of greenhouse gas (GHG) emission reduction. The overall selection process and eligibility criteria is consistent with the GBP and SBP principles. Additionally, the Portfolio Manager has a well-defined process for identifying and managing perceived social and environmental risks.

### Alignment with market-based taxonomies and recognized international standards:

The Portfolio Manager adopts the following strategy to incorporate climate action considerations. First, there is a positive screening approach, ensuring that one-third of the portfolio supports climate change mitigation or adaptation. The definitions and criteria for climate change mitigation and adaptation eligibility rely on the OECD DAC Rio Markers. The Portfolio Manager actively promotes climate change mitigation within the portfolio, either by directly reducing GHG emissions (for example, transitioning women entrepreneurs and/or women-owned businesses to cleaner energy sources) or by enabling women to adapt and respond effectively to climate change challenges.

Secondly, a negative screening approach is implemented, adhering to the "do no harm" principle which is further explained below. To complement the negative screening approach, the Portfolio Manager maintains an Exclusion List to guarantee that Borrowers align with its mission. The Portfolio Manager's exclusion list includes project types screened by the U.S. International Development Finance Corporation (DFC), aligning with environmental and social requirements from U.S. law, International Finance Corporation Performance Standards, and Industry Sector Guidelines. Additionally, it adheres to the Fundamental Principles for Financial Cooperation with the Swedish International Development Cooperation Agency (SIDA). This list is

<sup>6</sup> The EU Taxonomy, CBI Taxonomy, UK Taxonomy, China catalogue, etc.

included in the term sheets with each Borrower, imposing legal limitations on them, and preventing the use of the bond's proceeds for any activities mentioned in the Exclusion List.

**Portfolio Manager's process and governance to set the eligibility criteria:**

The Portfolio Manager conducts social, environmental and financial due diligence on potential Borrowers. Through the process, between 800 and 1,000 entities are invited to apply for financing and about 100 entities are shortlisted and sent screening surveys on both credit and impact aspects. This process allows the Portfolio Manager to understand how the potential Borrowers can impact women, as well as flag any risks. The process has several layers of approval and includes three main steps: Borrower origination, due diligence, and portfolio finalization. The process integrates specific impact, gender and climate-focused criteria. In the Borrower Origination phase, potential candidates are sourced and screened based on stringent gender-focused criteria. Geographic diversification, particularly in the Global South, is a priority, and the Portfolio Manager seeks institutions and enterprises actively promoting gender equity. During outreach, due diligence initiates, involving negative screening to ensure alignment with social and environmental objectives,

In the Due Diligence phase, thorough assessments are conducted, with surveys specifically targeting women clients, covering client protection, social impact, and gender-related concerns. The Portfolio Manager's impact assessment team utilizes this data to finalize the bond's portfolio, emphasizing entities' social and gender impact. Adherence to Client Protection Principles (CPP) is verified, with non-compliant institutions undergoing rigorous scrutiny, including interviews and cross-verification, ensuring alignment, particularly in sectors and countries with weaker regulations. Finally, in the Portfolio Finalization stage, selected Borrowers negotiate loan terms, incorporating comprehensive agreements with gender and climate action plans, if applicable. These plans monitor gender and climate-related impacts, ensuring loans effectively reach women and their climate objectives. To enforce these objectives, a step-up coupon incentivizes meeting specified targets, demonstrating the Portfolio Manager's dedication to gender-focused positive outcomes within the investment portfolio.

The Portfolio Manager defines criteria for financial inclusion entities and for SMEs or non-financial inclusion entities as described below:

**Financial inclusion entities**

- 70% or higher of clients are low-income, rural women; or
- In the case of an organization (microfinance institutions or cooperatives), most clients should be underserved women; or
- The Borrower can ensure the proceeds of the loan will impact a majority of women clients

**SMEs or non-financial inclusion**

- 70% or higher of clients are low-income, rural women; or
- Borrowers can ensure the proceeds of the loan impact a majority of women clients; or
- Borrowers are proactively targeting women in an industry where women are underrepresented or where the percentage of women impacted by the Borrower is higher than the industry standard; or
- The Borrower has 30% or higher women in senior leadership positions

**Process to identify and manage social and environmental risks:**

The Portfolio Manager follows a Do no Harm Approach and it evaluates each Borrower to assess the negative consequences related to:

- Avoiding exposing individuals, communities, or other species to additional risks through IIX action; and/or
- Taking a broader look at the interventions in the local context to mitigate potential negative effects on the social fabric, the economy or the environment.

The Do No Harm approach implemented by the Portfolio Manager encompasses two lenses: environmental and human rights.

**Environmental Lens:** The Portfolio Manager evaluates every Borrower to identify potential adverse effects on biodiversity, land/soil quality, and climate change considerations, ensuring alignment with planetary boundaries.

**Human Rights Lens:** The Portfolio Manager examines each Borrower for potential negative impacts on target populations and associated communities, identifying potential human and social issues or concerns.

Additionally, Tameo reviewed the mandatory due diligence questionnaire for all potential Borrowers. This form enables the Portfolio Manager to evaluate various aspects of the Borrowers' business, finance, and operations, as well as social and environmental risks. Social risks are assessed by examining elements such as the Borrowers' social mission, social governance practices, target population, and social reporting. Environmental risks are evaluated through questions about the Borrowers' environmental management practices, including their implemented environmental policies, the environmental aspects of their products and services, and training provided to employees on environmental risks.

**Process in place to identify mitigants to known material risks of negative social and/or environmental impacts:**

The Portfolio Manager systematically analyses the potential material risks of negative and social impacts through three main components:

- 1) The implementation of an exclusion list that includes social and environmental sectors and serves as a proactive measure in the investment process to avoid funding projects with known material risks of negative social and environmental impacts.
- 2) Mandatory due diligence questionnaire that assesses Borrowers' social and environmental practices and implemented policies.
- 3) On-going monitoring through interviews conducted with the Borrower's clients to collect data that will verify the impact assumptions, identify potential negative social and environmental risks, and any deviation from the objectives of the bond.

Tameo is of the opinion that the Portfolio Manager demonstrates a commitment to managing social and environmental risks through its exclusion list, due diligence questionnaire, and post-funding interviews. However, there is a noticeable emphasis on social risks, leaving room for improvement in assessing and mitigating environmental risks. This is evident due to the lack of a specific procedure and template for conducting environmental assessments.

### 3. MANAGEMENT OF PROCEEDS

**Does the review assess:**

- ☒ the issuer's policy for segregating or tracking the proceeds in an appropriate manner?
- ☐ the intended types of temporary investment instruments for unallocated proceeds?
- ☒ Whether an external auditor will verify the internal tracking of the proceeds and the allocation of the funds?

**Overall comment on this section:**

As per the IM provided by the Portfolio Manager, WLB Asset VI Pte. Ltd., is a special-purpose vehicle (SPV) wholly owned by the Portfolio Manager and incorporated in Mauritius. The SPV issues subordinated notes to the subordinated investors. Following the same document, the use of proceeds will be governed by a Trust Deed, legally binding on the Issuer. Compliance with the terms of the WLB6 Trust Deed will be ensured through the engagement by the Issuer of multiple third-party service providers including the Trustee (Bank of New York Mellon) and the Corporate Services Provider (Intercontinental Trust Limited), and Loan Administration Services Provider (CSC GFM Asia Services). The Portfolio Manager will also act as the Structuring Agent and will be responsible for collecting payments under the Loans and monitoring compliance by the Borrowers with their obligations under the loans.

The proceeds of the issuance of the Bonds will be used to extend loans to the nine underlying Borrowers. It is expected that these loans will be extended immediately after the closing of the issuance of the Bonds. In the event that any of the bond proceeds are not disbursed within 90 days of the closing of the issue of the Bonds, any undisbursed proceeds held by the Issuer will be distributed as a prepayment of principle to the Bondholders. CSC GFM will report to the bond trustee, BNY Mellon, on the use of proceeds and specifically on the disbursement of the Loans.

Tameo Impact Fund Solutions reviewed a Loan Agreement Template used by the Portfolio Manager and reviewed the clauses regarding the use of proceeds implemented for Borrowers. Each Borrower is bound by a clause in their loan agreement, stipulating that the bond proceeds are exclusively for their own financial activities and cannot be used for affiliated groups, parent companies, or associates. The utilization of funds for each Borrower is delineated based on their unique circumstances, ensuring they adhere to the Exclusion List provided by the Portfolio Manager. Furthermore, Borrowers must submit quarterly and monthly reports outlining their financial, operational, and funding activities related to the bond proceeds. Tameo reviewed the template that Borrowers use to report the use of proceeds. The Portfolio Manager requests information on the overall Borrower's Portfolio on specific indicators relevant to the bond's target population.

**External auditor to verify the internal tracking of the proceeds:**

Tameo reviewed the Information Memorandum where the Portfolio Manager explains how it engages Crowe ATA as the auditor of the WLB6 financial statements. Additionally, One Legal acts as a Singapore Legal Counsel to review announcements on SGX made by the Issuer confirming the deployment of loan proceeds to the Borrowers and any material changes made to the portfolio of Borrowers across the bond tenor.

#### 4. REPORTING

**Does the review assess:**

- ☒ the expected type of allocation and impact reporting (bond-by-bond or on a portfolio basis)?
- ☒ the frequency and the means of disclosure?
- ☒ the disclosure of the methodology of the expected or achieved impact of the financed project(s)?

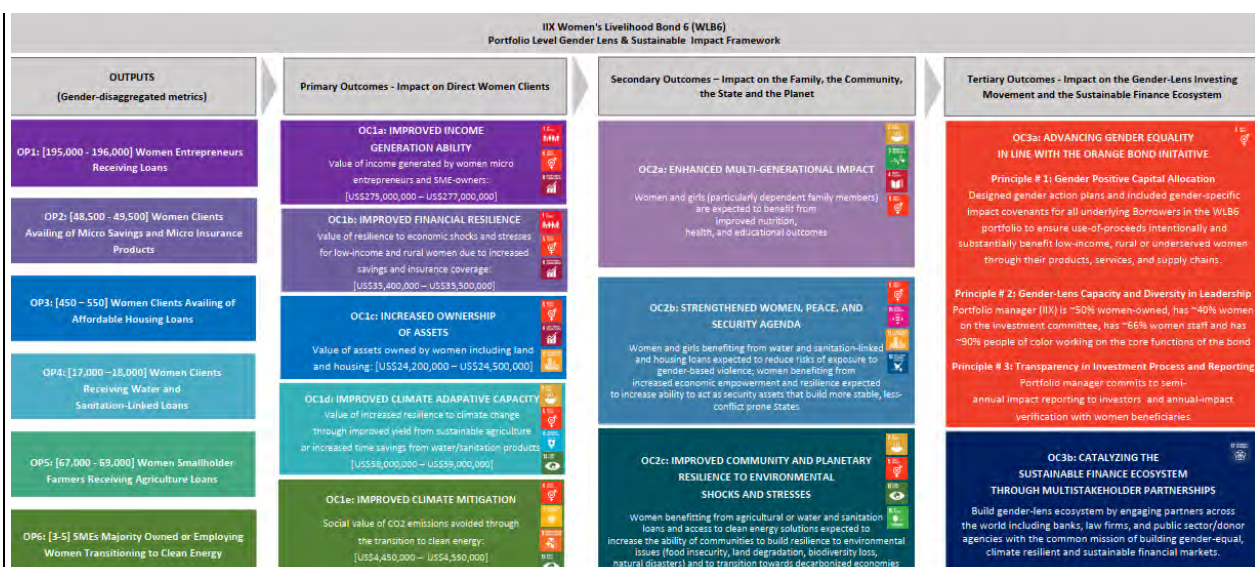
**Overall comment on this section:**

Tameo assessed the Portfolio Manager's Impact Reporting Framework for the WLB6 as well as the reporting requirements for the Borrowers included in the bond. Tameo is of the opinion that the Portfolio Manager's reporting framework is consistent with the Reporting component of the GBP and the SBP in terms of the frequency of reporting and the use of qualitative and quantitative indicators.

**Methodology of the expected impact used by the Portfolio Manager:**

The Portfolio Manager has developed an Impact Framework that is used during the social and climate due diligence and it serves as a basis for monitoring, reporting, and measuring impact during the life of the bonds. This framework follows the SROI methodology, defining outputs from bond-financed activities. These outputs are validated through client interviews conducted both during due diligence and throughout the bond's lifespan. Through this methodology, the Portfolio Manager identifies financial proxies that allow the assessment of project impact and link it with capital mobilized (see a snapshot of the framework below).





Within this framework, the Portfolio Manager establishes clear indicators to track throughout the life of the WLB6 to monitor the progress of each investment. Among the indicators tracked are the number of women entrepreneurs to receive loans, women clients accessing micro-saving and insurance products, women clients receiving water and sanitation loans, women smallholder farmers receiving agriculture loans, number of SMEs majority-owned or employing women transitioning to clean energy.

The objective of the impact framework is to establish the linkages between the activities undertaken by Borrowers and their expected social outcomes for underserved women along the sustainable livelihoods value chain. The framework assesses Borrowers' social performance by outlining their expected primary, secondary, and tertiary outcomes. It then monitors the Borrowers' actual performance, identifying any deviations from the targeted goals.

### Impact Reporting Approach:

The Portfolio Manager reports on an annual and semi-annual basis, which allows the Portfolio Manager and investors to monitor the social and environmental performance based on pre-defined indicators. The Portfolio Manager collects data from Borrowers and reports it on the following indicators: number of women entrepreneurs receiving loans, number of women clients availing of micro-savings and micro-insurance products, number of women clients receiving water and sanitation-linked loans, number of women accessing affordable housing loans, number of women smallholder farmers receiving agriculture loans and number of SMEs majority owned or employing women transitioning to clean energy. In terms of the environmental indicators reported, the Portfolio Manager estimates and reports on the CO2 emissions avoided based on the data provided by the Borrowers.

These reports are based on the Portfolio Manager impact performance assessment for each Borrower and are further strengthened through interviews and surveys conducted with women clients of the Borrowers. In terms of evidence-based outcomes, the impact framework developed for the WLB6 is based on the Social Return on Investment (SROI) methodology and supported by findings from the academic literature. While some of the indicators are calculated using data from the Borrowers and can be partially verified through an assessment of the financial statements, the methodology also considers end-clients self-reported data based on perception.

The Portfolio Manager monitors the impact performance of Borrowers twice a year. The reports consist of a combination of qualitative (client stories, SDG analysis), quantitative information (SROI, no. of women impacted) and the results of the Impact Assessment Framework. All outputs are quantified and the estimated financial value for each outcome is presented. The two types of reports produced by the Portfolio Manager are:

- At the mid-point of each reporting year: The Portfolio Manager will monitor and provide a progress report, assessing the social performance of the Borrowers. The social performance is assessed for each Borrower and on aggregate.
- At the end of the year: The Portfolio Manager produces a comprehensive evaluation of the social performance of the bond and the Borrowers which is supported by impact verification that involves interviewing a sample size of women clients.

At the Borrower level, the Portfolio Manager reports to the investors on the performance of each Borrower and explains any deviations from the original impact targets. This includes a short summary of the yearly performance of the Borrower together with key impact indicators for each Borrower.

The Portfolio Manager also presents the results of interviews conducted through their digital surveys (IIX Values™), which include indicators like the proportion of women reporting easy access to affordable credit, the proportion of women reporting improved quality of life and the proportion of women farmers reporting positive contribution to the environment following training on climate-smart and sustainable agriculture.

The Portfolio Manager will make announcements on the Singapore Exchange Securities Trading Limited in the case of any material changes to the underlying Borrowers that may alter the expected social or financial performance of the Bond. This will ensure transparency on the underlying portfolio.

## Section 4. Additional Information

**Useful links** (e.g., to the external review provider's methodology or credentials, to the full review, to issuer's documentation, etc.)

### Analysis of the contribution of the project(s) to the UN Sustainable Development Goals:

The WLB Series, specifically WLB6, is expected to advance several Sustainable Development Goals (SDGs). It aims to promote SDG 5: Gender Equality by targeting underserved women. Additionally, through its primary outcomes, such as enhanced income generation, increased financial resilience, improved productivity, asset ownership, and climate action, WLB6 is expected to contribute to SDGs 1: No Poverty, 6: Clean Water and Sanitation, 7: Affordable and Clean Energy, 8: Decent Work and Economic Growth, 9: Industry, Innovation and Infrastructure, 10: Reduced Inequalities, and 11: Sustainable Cities and Communities.

Indirectly, by influencing families, communities, states, and the environment, WLB6 is anticipated to advance SDGs 2: Zero Hunger, 4: Quality Education, 15: Life on Land, and 16: Peace, Justice, and Strong Institutions. Lastly, through its tertiary outcomes and impact on the gender-lens investing movement and the Sustainable Finance Ecosystem, WLB6 is expected to further contribute to SDG 17: Partnership for the Goals.

Tameo did not measure or assess the calculation methodology to measure the expected impacts on the SDGs.

### Additional assessment in relation to the issuer/bond framework/eligible project(s):



# **Orange Bond Principles**

External Review Form

October 2023



## Introduction

To qualify as an Orange Bond, issuers are expected to align with three overarching Principles: (1) Gender-Positive Capital Allocation; (2) Gender-Lens Capacity and Diversity in Leadership; and (3) Transparency in the Investment Process and Reporting.

While issuers are required to align with all three of the Orange Bond Principles™, they are not required to comply with every sub-point under Principles 1 and 2, both of which provide issuers with the option to comply with only one (or more) sub-points to qualify as an Orange Bond. Principle 3, however, requires issuers to comply with all sub-points under it, in line with the Orange Bond Initiative's commitment to creating transparent and transformative positive impact. Issuers will be required to provide investors with an overview of how they comply with the Principles and which of the sub-points they are in alignment with.

## Orange Bond- External Review Form

### Basic Information

**Issuer Name:** WLB Asset VI Pte. Ltd.

**Issuance Name:** Women's Livelihood Bond™ 6

**Independent External Review Provider's Name:** Tameo Impact Fund Solutions SA

**Form Completion Date:** 31 October 2023

### Review Overview

#### SCOPE OF REVIEW

The review assessed the following elements and confirmed their alignment with the OBPs:

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Principle 1 – Gender-Positive Capital Allocation                   | <input checked="" type="checkbox"/> Principle 2 – Gender Lens Capacity and Diversity in Leadership |
| <input checked="" type="checkbox"/> Principle 3 – Transparency in the Investment Process and Reporting |  |





## EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW *(if applicable)*

Tameo Impact Fund Solutions has verified that the WLB6 is consistent with the Orange Bond Principles. Tameo Impact Fund Solutions has conducted an assessment and concludes that the WLB6 aligns with the three principles: 1. Gender-Positive Capital Allocation; 2. Gender Lens Capacity and Diversity in Leadership; and 3. Transparency in the investment Process and Reporting. This external review form will subsequently be made available online on the Portfolio Manager's website post-issuance (expected to be in December 2023).

## Detailed Review

### Principle 1 Gender-Positive Capital Allocation

- ☒ 1a. Financing the development and/or provision of products and/or services that substantially and disproportionately benefit women, girls, or gender minorities including the LGBTQI+ community and other groups facing gender-based and intersectional discrimination.
- ☒ 1b. Financing projects or enterprises with a substantially gender diverse and equitable workforce, and/or gender-inclusive value chains, that ensure gender-pay equity and equal workplace and employment-related rights to all regardless of gender identity.
- ☒ 1c. Financing enterprises or organizations that are founded by, are majority (i.e. >50%) owned by or whose senior leadership (e.g., C-suite executives, key decision-makers, and/or heads of departments) have >30% women or gender minorities.
- ☐ 1d. Financing other ESG or SDG-aligned projects or initiatives that are intentionally designed to substantially and disproportionately have a positive net impact on women, girls or gender minorities.

#### Description of alignment with Principle 1:

The Portfolio Manager specifies the eligible project categories for the use of proceeds and applies gender lens criteria at a portfolio level. The criteria are exclusionary, pre-determined and contractually agreed with the borrowers. The Portfolio Manager defines criteria for financial inclusion entities and for SMEs or non-financial inclusion entities as described below:

#### Financial inclusion entities

- 70% or higher of clients are low-income, rural women; or
- In the case of an organization (microfinance institutions or cooperatives), most clients should be underserved women; or
- The borrower can ensure the proceeds of the loan will impact a majority of women clients

#### SMEs or non-financial inclusion

- 70% or higher of clients are low-income, rural women; or
- Borrowers can ensure the proceeds of the loan impact a majority of women clients; or



- Borrowers are proactively targeting women in an industry where women are underrepresented or where the percentage of women impacted by the borrower is higher than the industry standard; or
- The borrower has 30% or higher women in senior leadership positions

**Description of borrower companies:**

All nine WLB6 borrowers comply with Principle 1a: On average, these borrowers have a portfolio consisting of 88% women clients (ranging from 70% to 100%). Borrowers are making significant efforts to empower underserved women through targeted loan programs. These initiatives focus on micro-loans, with a substantial portion allocated directly to underserved women clients. Additionally, loans are channeled into diverse areas, including agricultural support, affordable housing initiatives, and micro, small, and medium enterprise (MSME) loans. A portion of the loans is specifically earmarked for Water, Sanitation and Hygiene (WASH), and home improvement projects, enhancing the living conditions of women clients. These efforts demonstrate that the bond proceeds will address economic and social needs, creating opportunities for women in various sectors and communities.

One of the nine WLB6 borrowers complies with Principle 1b: The borrower aligns with Principle 1b by focusing on women smallholder farmers in the agri-value chain, providing unsecured loans, working capital, and payment processing solutions.

One of the nine WLB6 borrowers complies with Principle 1c: 50% of its Board members are women and 69% of its employees are women.

**Expected impact of the bond:**

100% of the proceeds of the bond are expected to contribute to SDG 5 (Gender equality). The Portfolio Manager estimates that the proceeds of the Bond will empower approximately 740,000 – 779,000 underserved women and girls, generating an expected Social Return on Investment of approximately ~USD 4 for every USD 1 invested. The bond proceeds are channeled into various financial products, such as loans, micro-savings, micro-insurance, Water, Sanitation and Hygiene (WASH), affordable housing, and clean energy solutions specifically designed for underserved women from emerging markets. These initiatives aim to support women's income generation, financial resilience, productivity, asset ownership and contribute to climate action. Additionally, they have secondary impacts, including empowering women within households, leading to improved family well-being, especially for dependent children.

This enhanced status of women correlates with better health and nutrition for their families.

Economically empowered women are expected to play a catalytic role in the household, community-level, and political decision-making, improving social fabric and contributing to social stability. This aligns with the Women, Peace, and Security (WPS) agenda's goals of preventing gender-based violence and empowering women as security assets. Additionally, agricultural loans for women enhance community and planetary resilience against environmental challenges. Women benefiting from agricultural loans contribute to community resilience against environmental challenges through organic farming, ensuring food security and mitigating climate change-induced risks like droughts. Similarly, women with clean energy loans support decarbonization efforts, recognizing the need for gender-inclusive climate resilience solutions. Collectively, these primary and secondary outcomes align with the Orange Bond



Initiative, driving the gender-lens investing movement, and contributing significantly to catalyzing a sustainable finance ecosystem.

**Harmonization with other thematic bonds:**

The WLB6 is anticipated to meet the criteria for qualification as a Sustainability Bond in accordance with the guidelines outlined by the International Capital Markets Association (ICMA) as the proceeds will be used to finance a combination of green and social projects.

The portfolio Manager has aligned the strategy and management approach for WLB6 with the SDG Impact Standards. The WLB Series, specifically WLB6, is expected to advance several Sustainable Development Goals (SDGs). It aims to promote SDG 5: Gender Equality by targeting underserved women. Additionally, through its primary outcomes, such as enhanced income generation, increased financial resilience, improved productivity, asset ownership, and climate action, WLB6 is expected to contribute to SDGs 1: No Poverty, 6: Clean Water and Sanitation, 7: Affordable and Clean Energy, 8: Decent Work and Economic Growth, 9: Industry, Innovation and Infrastructure, 10: Reduced Inequalities, and 11: Sustainable Cities and Communities.

Indirectly, by influencing families, communities, states, and the environment, WLB6 is anticipated to advance SDGs 2: Zero Hunger, 4: Quality Education, 15: Life on Land, and 16: Peace, Justice, and Strong Institutions. Lastly, through its tertiary outcomes and impact on the gender-lens investing movement and the Sustainable Finance Ecosystem, WLB6 is expected to further contribute to SDG 17: Partnership for the Goals.

**Do no harm approach:**

The Portfolio Manager adheres to a Do no Harm Approach, evaluating Borrowers to identify negative consequences. This includes avoiding additional risks to individuals, communities, or other species and considering broader interventions to mitigate potential negative effects on the local social fabric, economy, or environment.

The Do No Harm approach implemented by the Portfolio Manager encompasses two lenses:

*Environmental Lens:* The Portfolio Manager evaluates every Borrower to identify potential adverse effects on biodiversity, land/soil quality, and climate change considerations, ensuring alignment with planetary boundaries.

*Human Rights Lens:* The Portfolio Manager examines each Borrower for potential negative impacts on target populations and associated communities, identifying potential human and social issues or concerns.

Additionally, the Portfolio Manager maintains an Exclusion List to guarantee that Borrowers align with its mission. The Portfolio Manager's exclusion list includes project types screened by the U.S. International Development Finance Corporation (DFC), aligning with environmental and social requirements from U.S. law, International Finance Corporation Performance Standards, and Industry Sector Guidelines. Additionally, it adheres to the Fundamental Principles for Financial Cooperation with the Swedish International Development Cooperation Agency (SIDA). The list, present in the term sheets for each Borrower, imposes legal limitations, preventing the use of bond proceeds for any activities mentioned in the Exclusion List.





Moreover, the Portfolio Manager has an obligatory due diligence questionnaire for all potential Borrowers. This form enables the Portfolio Manager to evaluate various aspects of the Borrowers' business, finance, and operations, as well as social and environmental risks. Social risks are assessed by examining elements such as the Borrowers' social mission, social governance practices, target population, and social reporting. Environmental risks are evaluated through questions about the Borrowers' environmental management practices, including their implemented environmental policies, the environmental aspects of their products and services, and training provided to employees on environmental risks.

## Principle 2 Gender-Lens Capacity and Diversity in Leadership

- ☒ 2a. Over 30% of the leadership team (e.g., the Board, the officers, and/or the Investment Committee) are women and/or gender minorities.
- ☒ 2b. Over 30% of the team working on the core functions of the Orange Bond (e.g., structuring, due diligence, portfolio management, investor relations, and/or reporting) are women and/or gender minorities.
- ☒ 2c. The leadership team and/or team working on the core functions of the Orange Bond includes women and/or gender minorities from the same ethnicity as the target population in one or more regions where proceeds of the Orange Bonds will be allocated.

### Description of alignment with Principle 2:

The Portfolio Manager prioritizes gender equality and implemented a detailed policy to actively pursue it. As outlined in its Gender Policy, the Portfolio Manager consistently improves the assessment tools, uses research and analysis to design projects promoting gender equality, and gathers data to understand gender disparities. The Portfolio Manager is committed to integrating a gender perspective into all aspects of its policies, strategies, administrative functions, and organizational culture. This includes implementing policies, leadership practices, training, and HR practices prioritizing gender sensitivity. The Portfolio Manager also strives for gender balance among their staff and promotes equal resource distribution regardless of gender identity. It actively works to promote gender equality within its organization.

The Portfolio Manager meets the following sub-principles:

Sub principle 2a: The Portfolio Manager is a company founded by women, with women holding over 50% ownership. Additionally, 40% of the Investment Committee members are women, including 2 out of 5 members who are women of color.

Sub principle 2b: 68% of the staff working on the core functions of the WLB6 are women. The core functions included finance operations, structuring, and portfolio management.



Sub principle 2c: The Portfolio Manager is a woman of South Asian origin and 91% of the staff working on the core functions of the WLB6 transactions are people of color from the regions the WLB6 will be investing in.

### Principle 3 Transparency in the Investment Process and Reporting

#### ☒ 3a. Transparency in Investment Process

Information provided for investors at the *time of the issuance*:

To ensure a continued gender-lens approach is adopted in line with Principles 1 and 2, providing investors with an upfront framework at the time of the issuance of the Orange Bonds on:

1. The intended impact of the Orange Bonds
2. The process through which the projects, enterprises or other objectives for which the Orange Bond proceeds will be used were or will be selected, including how they were or will be evaluated for consistency with the Principles; and
3. How the use of proceeds of the Orange Bonds will be monitored over the life of the bonds for consistency with Principle 1, as well as the “do no significant harm” principle.

Specific Information provided for investors *at the time of the issuance* should include the following:

- Framework on the intended impact.
- Project evaluation and selection approach.
- Management of proceeds approach (application of ‘do no significant harm principle’ to ensure a continued gender lens approach)

#### ☒ 3b. Transparency in Impact Measurement

Conduct an annual confirmation of the impact (output, outcomes, impact) achieved by the bonds through interviews, surveys, or other means of collecting data directly from a sample size of the target population of the bond’s proceeds (i.e., women, girls, gender minorities, or other individuals experiencing gender equality related outcomes or impact).

#### ☒ 3c. Transparency in Reporting

During the life of the Orange Bonds, provide investors with annual reports on:

- Gender-equality impact achieved using gender-disaggregated metrics (that is, metrics that are measured, tabulated and presented separately by gender);
- The substantial and intentional impact experienced by women, girls and gender minorities as a result of the application of the Orange Bond’s proceeds.

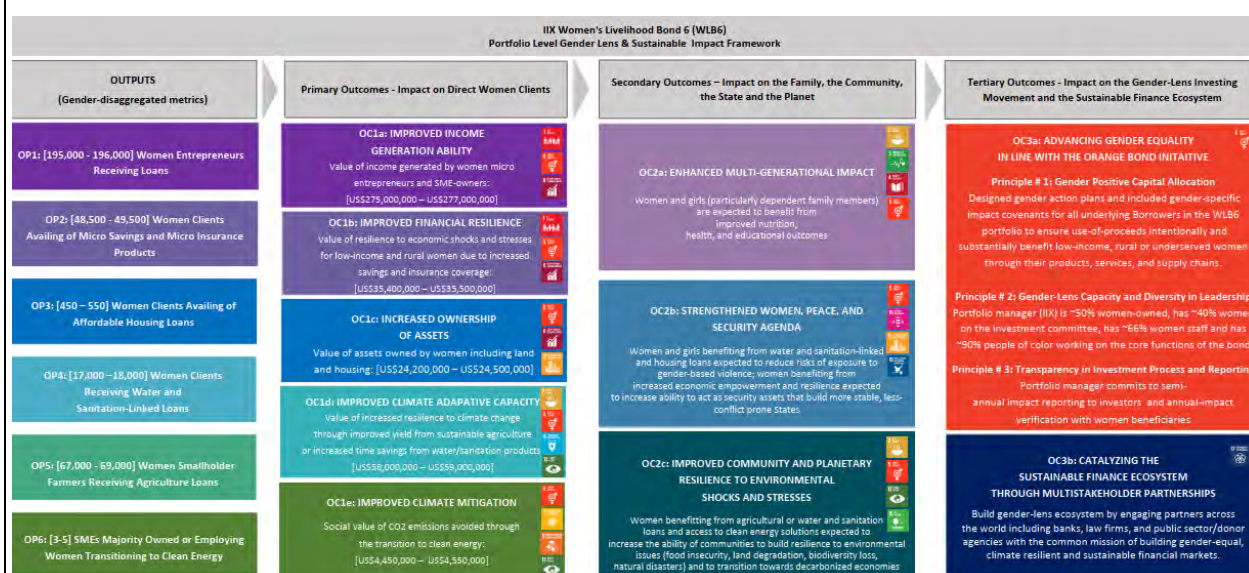


## Description of alignment with Principle 3:

### Sub-principle 3a: Transparency in the investment process:

#### Frameworks of the intended impact:

The Portfolio Manager developed an in-house Impact Assessment Framework used during the due diligence. It serves as a basis for monitoring, reporting, and measuring impact during the life of the bonds. The objective of the impact framework is to establish the linkages between the activities undertaken by borrowers and their expected social outcomes for underserved women along the sustainable livelihoods value chain (See a snapshot of the framework below).



The framework evaluates the social performance of borrowers by:

- Mapping out how each borrower can achieve the expected primary, secondary, and tertiary outcomes;
- Tracking the borrowers' actual performance; and
- Identifying any deviations from targeted performance.

The Impact Assessment Framework is based on the Social Return on Investment (SROI) methodology. Broadly, the SROI defines a process through which organizations can calculate a financial value for the social impact of their activities. The process involves various stakeholders, identifying outcomes and metrics, calculating the social return, and reporting findings to stakeholders.

The Impact Assessment Framework includes gender lens outputs and outcomes. In line with the SROI methodology, the framework defines a set of outputs based on the activities financed by the WLB proceeds and validated through the interviews conducted with clients during the due diligence process. The Portfolio Manager has identified six outputs for the WLB6, ultimately capturing the number of women benefiting from the different services borrowers provide. Using the outputs identified, the Portfolio Manager develops the expected outcomes, drawing on findings from the academic literature analyzing the impact of financial services on underserved women (primary), on households and



communities (secondary), and on gender equality and the sustainable finance ecosystem more broadly (tertiary). The Portfolio Manager cites the sources to sustain its claims behind the linkages between outputs and outcomes, including indicators from the World Bank Global Findex and academic literature.

The Impact Assessment Framework's final step involves quantifying social value creation through a monetary proxy value. This value is assigned to each outcome to determine the social return generated by borrowers. The Portfolio Manager creates financial proxies based on borrowers' products and services, customized to consider the impact on women. These proxies are then used to calculate the Social Return on Investment (SROI), which expresses investments' social and environmental impact in monetary terms.

**Project or enterprise evaluations and selection approach:**

The Portfolio Manager comprehensively evaluates prospective borrowers' financial and social aspects. This involves inviting approximately 800 to 1,000 entities to apply for financing, followed by shortlisting around 100 of them who are then asked to complete screening surveys that assess both their creditworthiness and potential impact on women and identify any associated risks.

The evaluation process incorporates various stages of approval, consisting of three primary phases: borrower origination, due diligence, and portfolio finalization. Throughout these stages, impact criteria, especially those related to gender considerations, are integrated to ensure a holistic assessment.

Specific impact and gender-focused criteria are applied to this process:

**1. Borrower Origination:** In the first step of the investment process, the Portfolio Manager focuses on identifying suitable investment opportunities. This begins with the sourcing phase, where potential borrowers are assessed based on various criteria, including their financial stability, geographical location, and alignment with sectoral factors. The Portfolio Manager emphasizes ensuring geographic diversification, targeting regions in the global south. Additionally, it seeks out financial institutions and impact-driven enterprises that actively work towards promoting gender equity. Once a pool of potential borrowers is identified, the screening phase comes into play. During this phase, the Portfolio Manager specifies the eligible project categories for the use of proceeds and applies gender lens criteria at a portfolio level. These criteria, which are exclusionary and pre-determined, are contractually agreed upon with the borrowers. Once shortlisted, the chosen borrowers enter the outreach phase, where the Portfolio Manager initiates contact to commence the due diligence process, subject to approval from the Portfolio Manager's Investment Committee. During this stage, the Portfolio Manager conducts a negative screening to ensure that eligible borrowers comply with its objective of achieving positive social and environmental impacts. This includes a list of environmentally harmful activities that borrowers are required to avoid. The term sheets of each qualifying borrower include legal limitations that prohibit them from using the WLB6 funds for any activities mentioned in the Portfolio Manager's exclusion list.

**2. Due Diligence:** During this stage, the Portfolio Manager conducts thorough assessments of potential borrowers, with a strong emphasis on social and gender impact. Surveys are administered to women



clients, covering aspects like client protection, social impact, and gender-related issues. The Portfolio Manager impact assessment team uses the collected data to determine the inclusion or exclusion of entities in the bond's portfolio. Additionally, adherence to Client Protection Principles (CPP) is evaluated, and country-level checks are carried out, particularly in sectors with weaker regulations. Institutions not listed as CPP-compliant must demonstrate alignment through a diligence questionnaire, client and loan officer interviews, and additional cross-verification.

**3. Portfolio Finalization:** The Portfolio Manager negotiates loan terms and documentation after pre-selecting suitable borrowers. Loan agreements are comprehensive and include impact covenants, which may encompass gender action plans. These plans are designed to direct and monitor entities' progress in achieving gender-related impacts, especially in ensuring loans reach women. To provide an additional incentive for meeting these targets, a step-up coupon is added to the agreements, which increases the interest rate for borrowers if they fail to meet the specified objectives.

**Management of proceeds approach:**

The WLB Series loan agreements incorporate clear impact criteria, which are legally binding obligations for the borrowers. Additionally, these agreements stipulate the requirement for regular reporting. The Portfolio Manager closely monitors the bond portfolio to ensure compliance with these criteria and obligations. This oversight involves a comprehensive evaluation of both financial and impact metrics. It encompasses examining monthly and quarterly financial reports, active participation in quarterly conference calls, and a thorough analysis of impact reports and IIX Values reports. Borrowers must provide documentation detailing their performance from when the loan is disbursed to maturity. Regarding operational and impact aspects, borrowers should monitor the impact metrics essential for the SROI assessment and impact verification from their clients or customers. Furthermore, each loan is subject to specific covenants closely monitored quarterly. These covenants may involve compliance with Client Protection Principles, confirmation that loan funds are directed toward women clients, and the number of low-income clients served, among other criteria.

Sub-principle 3b: Transparency in impact measurement

The Portfolio Manager conducts field visits where a sample of women clients is interviewed to collect data that will verify the impact assumptions. The Portfolio Manager also implements digital surveys through SMS that allow them to reach clients in remote areas. This method utilizes data analysis to directly measure the impact on women. It employs an AI-powered data collection platform "IIX Values", which is accessible in local languages. The interviews' results can include indicators like the proportion of women reporting easy access to affordable credit, the proportion of women reporting improved quality of life, and the proportion of women farmers reporting positive contributions to the environment following training on climate-smart and sustainable agriculture.

Sub-principle 3c: Transparency in Reporting:

The Portfolio Manager monitors the impact performance of borrowers twice a year and commits to providing investors with annual and semi-annual reports. The reports consist of a combination of qualitative (client stories, SDG analysis) and quantitative information (SROI, no. of women impacted).



Impact metrics are gender disaggregated as mandated by Sub-principle 3c. The two types of reports produced by the Portfolio Manager are:

- Semi-annually: The Portfolio Manager will monitor and provide a progress report, assessing the social performance of borrowers. The social performance is assessed for each borrower and on aggregate.
- At the end of the year: The Portfolio Manager produces a comprehensive evaluation of the social performance of the bond and the borrowers which is supported by impact verification that involves interviewing a sample size of women clients.

To report on the portfolio-level impact performance, the Portfolio Manager provides the results of the Impact Assessment Framework. In the framework, all outputs are quantified (number of women clients, number of women farmers, etc.) and the estimated financial value for each outcome is presented.

At the borrower level, the Portfolio Manager reports on the performance of each borrower and explains any deviations from the original impact targets. This includes a short summary of the yearly performance of the borrower together with key impact indicators for each borrower.

**ISSUER**

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**WLB Asset VI Pte. Ltd.**

**US\$88,000,000**

**7.25% Women's Livelihood Bonds due 2027**

**Portfolio Manager**



**Placement Agents**

