

Execution Version

3 Year Note



## **AGRARIUS SUSTAINABILITY ENGINEERED (RF) LIMITED**

*(Incorporated in the Republic of South Africa with limited liability under registration number 2022/521382/06)*

*("Agrarius ListCo" or "the Issuer")*

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### **APPLICABLE PRICING SUPPLEMENT**

**The issue of ZAR 300,000,000 Secured, Floating Rate Sustainability-linked  
Sukuk Notes on 2 February 2024**

**under its**

**ZAR 10,000,000,000 ASSET-BACKED NOTE PROGRAMME**

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This Applicable Pricing Supplement must be read in conjunction with the Agrarius Sustainability Engineered (RF) Limited ZAR 10,000,000,000 Asset-backed Note Programme Memorandum, dated 19 September 2022, prepared by Agrarius Sustainability Engineered (RF) Limited, as amended and/or supplemented from time to time (the "**Programme Memorandum**").

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*", or as defined in the Sustainability-Linked Sukuk Framework 1, updated on 26 January 2024 ("**Framework 1**").

The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. To the extent that certain provisions of the *pro forma* Applicable Pricing Supplement set out in the Programme Memorandum do not apply to the Notes described herein, they may be deleted in this Applicable Pricing Supplement or indicated to be not applicable.

To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

1.	<b>PARTIES</b>	
1.1.	Issuer	Agrarius Sustainability Engineered (RF) Limited
1.2.	Debt Officer	Johan Fourie, in-house corporate legal advisor of the Issuer
1.3.	SPV Guarantor	AVC Security SPV (RF) (Pty) Ltd
1.4.	Nature of the security	Limited recourse SPV Guarantee issued by the SPV Guarantor
1.5.	Dealer(s) <i>Specified Address</i>	Rand Merchant Bank 1 Merchant Place Cnr Fredman and Rivonia Road Sandton 2191
1.6.	Debt Sponsor <i>Specified Address</i>	Questco Corporate Advisory (Pty) Ltd Ground Floor, Block C Investment Place, 10th Road Hyde Park, Johannesburg, 2196 South Africa
1.7.	Calculation Agent <i>Specified Address</i>	27four Investment Managers (Pty) Ltd Rosebank Firestation, 5th Floor 16 Baker Street, Rosebank Johannesburg, 2196 South Africa
1.8.	Transfer Agent, Paying Agent, Settlement Agent & Issuer Agent <i>Specified Address</i>	FirstRand Bank Limited 4th Floor, 4 First Place Cnr Simmonds & Pritchard streets Johannesburg, 2000 South Africa
1.9.	Independent Sustainability Advisor <i>Specified Address</i>	IBIS Environmental Social Governance Consulting Africa Proprietary Limited 4 Sandown Valley Crescent Sandown, Gauteng 2196 <b>Contact person:</b> Petrus Gildenhuys <b>Cell:</b> +27 (0)82 788 4169 <b>Office;</b> +27 (0)10 020 7343 <b>Email:</b> petrus.gildenhuys@ibisconsulting.com

2. PROVISIONS RELATING TO THE NOTES		
2.1.	Status of Notes	Senior Secured
2.2.	Form of Notes	Listed Uncertificated Notes held in the CSD
2.3.	Type of Notes	Floating Rate, Sustainability-linked Asset-Backed Notes, self-labelled as Sukuk Notes by the Issuer and certified Shari'ah compliant by the 27four Investment Managers Shari'ah Advisory Committee (" <b>SAC</b> ")
2.4.	Series of Notes Number	B
2.5.	Tranche Number	1
2.6.	Issue Date	2 February 2024
2.7.	Aggregate principal amount of this Tranche	ZAR 300,000,000
2.8.	Nominal Amount per Note	The total amount, excluding any adjustments on account of any formula, payable by the Issuer in respect of a Note
2.9.	Specified Denomination	ZAR 1,000,000 and integral multiples of ZAR 1,000,000 thereafter
2.10.	Specified Currency	South African Rand
2.11.	Issue Price per Sukuk Note	ZAR 1.00
2.12.	Issue Price	ZAR 300,000,000
2.13.	Term of the Notes	37 months and 29 days from Issue Date
2.14.	Series or Tranche Underlying Transaction Commencement Date	In accordance with the Master Investment Agreement, the investment by the Issuer will be made directly to Agrarius OpCo within five Business Days of receipt by the Issuer of the proceeds from the relevant Tranche of Notes
2.15.	Maturity Date	31 March 2027, unless redeemed on any Optional Dissolution Date and/or Early Dissolution Date. If any such date is not a Business Day, the date determined in terms of the Following Business Day Convention
2.16.	Applicable Business Day Convention	Following Business Day Convention
2.17.	Final Dissolution Amount	The lesser of the Nominal Amount and the actual value realised from the Investments acquired per Annexure 1B in respect of such Investments
2.18.	Last Day to Register	By 17h00 on 25 March and 24 September each year until the Maturity Date or, if any day is not a Business Day, the last Business Day immediately preceding the commencement of the Books Closed Period(s)
2.19.	Books Closed Period(s)	The Register will be closed from 26 March to 30 March (both dates inclusive) and 25 September to 29 September (both dates inclusive) in each year until the Maturity Date.
2.20.	Default Rate	Not applicable

<b>3. PROGRAMME AMOUNT</b>		
3.1.	Programme Amount as at the Issue Date	ZAR 10,000,000,000
3.2.	Aggregate Outstanding Principal Amount of all of the Notes (including existing Notes) in issue under the Programme as at the Issue Date	<p>The Aggregate Outstanding Principal Amount immediately preceding the issue and listing of this Tranche is ZAR 600,000,000.</p> <p>The Aggregate Outstanding Principal Amount immediately after the issue and listing of this Tranche will be ZAR 1,000,000,000, comprising of ZAR 900,000,000 listed Sukuk Notes and ZAR 100,000,000 unlisted Sukuk Notes which are being issued concurrently with this Tranche of listed Sukuk Notes.</p>
3.3.	Issuer confirmation as to Programme Amount	The Issuer confirms that the issue of this Tranche of Sukuk Notes will not cause the Issuer to exceed the Programme Amount.
<b>4. PROVISIONS RELATING TO PERIODIC DISTRIBUTION AMOUNTS (IF ANY) PAYABLE</b>		
4.1.	<b>FIXED PERIODIC DISTRIBUTION AMOUNT PROVISIONS</b>	Not Applicable
4.1.1.	Fixed Amount	Not Applicable
4.1.2.	Periodic Distribution Commencement Date	Not Applicable
4.1.3.	Periodic Distribution Date(s)	Not Applicable
4.1.4.	Rates	Not Applicable
4.1.5.	Fixed Rate Amount(s)	Not Applicable
4.1.6.	Broken Amount	Not Applicable
4.1.7.	Day Count Fraction	Not Applicable
4.1.8.	Other terms relating to the method of calculating Distribution Amounts with a Fixed Periodic Distribution Amount	Not Applicable
4.2.	<b>FLOATING PERIODIC DISTRIBUTION AMOUNT PROVISIONS</b>	Applicable
4.2.1.	Specified Period(s)	Each period commencing on (and including) a Periodic Distribution Date and ending on (but excluding) the following Periodic Distribution Date; provided that the first Periodic Distribution Period shall commence on the Periodic Distribution Commencement Date (2 February 2024) up to 30 September 2024 and thereafter semi-annually on 31 March and 30 September until the last Periodic Distribution Period which will commence on 30 September 2026 and conclude on 31 March 2027, but exclude the Maturity Date (unless the Sukuk Notes are redeemed on any Optional Dissolution Date or Early Dissolution Date or redeemed in the event of a Portfolio Covenant breach or exercise of Call Option), each Periodic Distribution Date as adjusted in accordance with the Following Business Day Convention.

4.2.2.	Periodic Distribution Commencement Date	2 February 2024
4.2.3.	First Periodic Distribution Date	30 September 2024 or, if any such date is not a Business Day, the date determined in terms of the Following Business Day Convention.
4.2.4.	Periodic Distribution Dates	31 March and 30 September of each year until the Maturity Date and the Maturity Date.
4.2.5.	Day Count Fraction	Actual / 365
4.2.6.	Manner in which the Rate is to be determined	Screen Rate Determination (Reference Rate plus Margin)
4.2.7.	Margin	4.25% percent per annum
4.2.8.	<b>If ISDA Determination:</b>	
4.2.8.1.	Floating Rate	Not applicable
4.2.8.2.	Floating Rate Option	Not applicable
4.2.8.3.	Designated Maturity	Not applicable
4.2.8.4.	Reset Date(s)	Not applicable
4.2.8.5.	ISDA Definitions to apply	Not applicable
4.2.9.	<b>If Screen Determination:</b>	
4.2.9.1.	Reference Rate	<p>For the First Periodic Distribution Period, the 9 month ZAR-JIBAR as determined on 30 January 2024 (or such other generally adopted reference rate to be promulgated by regulation under the Financial Sector Regulation Act 9 of 2017, as amended by which it may be succeeded and/or replaced prior to the Maturity Date).</p> <p>For all subsequent Periodic Distribution Periods, the 6 month ZAR- JIBAR (or such other generally adopted reference rate to be promulgated by regulation under the Financial Sector Regulation Act 9 of 2017, as amended by which it may be succeeded and/or replaced prior to the Maturity Date);</p>
4.2.9.2.	Periodic Distribution Determination Dates(s)	2 February 2024 ("Issue Date") and 30 September 2024 and thereafter each 31 March and 30 September from the Issue Date to the Maturity Date (on which date the Periodic Distribution Amount for the Specified Period ending on that date will be determined using the applicable Reference Rate/s for the relevant Calendar Month/s (or portion thereof) falling within the Specified Period), (unless the Sukuk Notes are redeemed on any Optional Redemption Date)
4.2.9.3.	Relevant Screen Page and Reference Code	Bloomberg, 6m JIBAR or Bloomberg 9m JIBAR, as applicable
4.2.9.4.	Relevant Time	11h00
4.2.9.5.	If Rate of profit share to be calculated otherwise than by ISDA Determination or Screen Determination, insert basis for	Not applicable

	determining Rate of profit share/ Margin/ Fallback provisions	
4.2.9.6.	Calculation Agent responsible for calculating amount of principal and Periodic Distribution Amount	27four Investment Managers (Pty) Limited
<b>4.2.10.</b>	<b>Other</b>	<p><b>Step-Up Periodic Distribution Rate</b></p> <p>On the occurrence of a Trigger Event (as defined in Framework 1), and with the approval of the SAC, the relevant Sukuk Noteholders shall be entitled to a step-up periodic distribution rate equal to an additional 0.25% of the outstanding capital amount on each Sustainability Performance Target Observation Date, for each Sustainability Performance Target that is not met, and calculated for each year that the Sustainability Performance Target remains unmet ("<b>Step-Up Periodic Distribution Rate</b>"). The maximum Step-Up Periodic Distribution Rate will therefore be 1.5% (not compounded), payable on the next Periodic Distribution Determination Date immediately following the relevant Notification Date.</p> <p>Trigger Events include:</p> <ul style="list-style-type: none"> <li>• the Issuer not achieving the Sustainability Performance Target (as contained in the Framework Nr 1) on the Sustainability Performance Target Observation Dates; and/or</li> <li>• the Issuer does not obtain the required verification of the performance against the Sustainability Performance Target, or the Issuer has obtained the verification but fails to publish the result of its verified performance, as required under the Framework 1.</li> </ul> <p><b>Effective decrease in performance fee payable to the Administrator</b></p> <p>The Administrator plays a crucial role in ensuring adherence to the Sustainability Key Performance Indicator outlined in Framework 1. Should the Step-Up Periodic Distribution Rate become applicable, the remaining funds available to be swept by the Administrator for the purpose of its performance fee is reduced, and therefore aligning the interest of the Administrator to the goals to be achieved by the Issuer's Sustainability-linked Programme.</p>
<b>5. PROVISIONS IN RESPECT OF THE SERIES INVESTMENT</b>		
5.1.	Portfolio	Not applicable
5.2.	Series Underlying Transaction	Not applicable
5.3.	Details of Transaction Account	Not applicable
5.4.	Application of Proceeds from Series Underlying Transaction	Not applicable

6. PROVISIONS REGARDING DISSOLUTION / MATURITY		
6.1.	At Maturity, Final Dissolution Amount	The lesser of the Nominal Amount and the actual value realised from the Investments acquired per Annexure 1B in respect of such Investments
6.2.	<b>Dissolution at the Option of the Issuer pursuant to Condition 13.3 (<i>Dissolution at the Option of the Issuer</i>):</b>	Yes
	If yes:	
6.2.1.	Optional Dissolution Date(s)	On each Periodic Distribution Date
6.2.2.	Optional Dissolution Amount(s) and method, if any, of calculation of such amount(s)	100% of the Nominal Amount, plus any Periodic Distributions which have accrued but not yet been paid (if any).
6.2.3.	Minimum period of notice (if different from Condition 13.3 ( <i>Dissolution at the Option of the Issuer</i> ))	Not less than 30 and not more than 60 days' notice prior to Optional Dissolution Date must be given to the Noteholders
6.2.4.	Other terms applicable on Dissolution	Not applicable
6.3.	Dissolution in the event of a Change of Control at the election of Noteholders pursuant to Condition 13.4 ( <i>Dissolution in the event of a Change of Control</i> ) or any other terms applicable to a Change of Control	Yes
6.4.	Dissolution in the event of a failure to maintain JSE Listing at the election of the Noteholders pursuant to Condition 13.5 ( <i>Dissolution in the event of a failure to maintain JSE Listing</i> )	Yes
6.5.	Early Dissolution Amount(s) payable on dissolution for taxation reasons pursuant to Condition 13.2 ( <i>Dissolution for Tax Reasons</i> ), on dissolution at the option of the Issuer pursuant to Condition 13.3 ( <i>Dissolution at the Option of the Issuer</i> ), dissolution [on a Change of Control pursuant to Condition 13.4 ( <i>Dissolution in the event of a Change of Control</i> ), or in relation to a failure to maintain a JSE Listing pursuant to Condition 13.5 ( <i>Dissolution in the event of a failure to maintain JSE Listing</i> ) (if required or if different from that set out in the relevant Conditions)]	Yes
	If yes:	
6.5.1	Amount payable; or	100% of the Nominal Amount plus any Periodic Distributions which have accrued but not yet been paid (if any) as Dissolution Amount
6.5.2	Method of calculation of amount payable	Not applicable
6.6.	Dissolution in the event of Portfolio	Yes

	Covenant breach.	
	If yes:	
6.6.1	Amount payable;	100% of the Nominal Amount plus any Periodic Distributions which have accrued but not yet been paid (if any) as Dissolution Amount
6.6.2	Method of calculation of amount payable	Not applicable
<b>7. GENERAL</b>		
7.1.	Financial Exchange	JSE Interest Rate Market
7.2.	Relevant sub-market of the Financial Exchange	Sustainability Segment of the Interest Rate Market
7.3.	Exchange Control approval	Not applicable
7.4.	Additional selling restrictions	Not applicable
7.5.	Investor Report	Quarterly investor reports will be published by the Issuer as required in terms of the Debt Listings Requirements of the JSE from time to time on the Issuer's website at the following link: <a href="https://www.27four.com/agrarius/investorcentre">https://www.27four.com/agrarius/investorcentre</a>
<b>8. INTERNATIONAL SECURITIES IDENTIFICATION NUMBERING (ISIN)</b>		
8.1.	Alpha Code	AGRIB1
8.2.	ISIN	ZAG000202797
8.3.	Stabilising manager	Not applicable
8.4.	Provisions relating to stabilisation	Not applicable
8.5.	Method of distribution	Bookbuild
8.6.	Credit Rating assigned to the Issuer/Programme/Notes	None
8.7.	Applicable Rating Agency	Not applicable
8.8.	Governing Law	South Africa
8.9.	Other provisions	Additional Terms and Conditions (Annexure 3)

### Programme Amount

As at the date of this Applicable Pricing Supplement, the Issuer confirms that the authorised Programme Amount of ZAR 10,000,000,000 has not been exceeded.

### Material Change:

It is confirmed as at the date of this Applicable Pricing Supplement, and after due and careful enquiry, that there has been no material change in the financial or trading position of the Issuer since the date of its last audited annual financial statements other than as announced by the issuer on SENS on 18 September 2023, setting out the details of the Capespan Transaction (as defined in Annexure 3).



As at the date of this Applicable Pricing Supplement, this statement has not been reviewed or reported on by the Issuer's auditors.

### **Shari'ah Compliance**

The SAC has signed off on this Applicable Pricing Supplement, which approval can be accessed on the Issuer's website at the following link <https://www.27four.com/agrarius/investorcentre>.

### **Use of Proceeds /Sustainability-linked Sukuk Framework**

The proceeds from this Tranche of Notes will be used to undertake Investments in terms of the Master Investment Agreement, within 5 Business Days of receipt by the Issuer of the proceeds for the relevant Tranche of Notes by paying the amount of the Investment into the South African bank account nominated by Agrarius OpCo for purposes of concluding the Underlying Transactions.

The proceeds raised from the issue of the Sukuk Notes set out in this Applicable Pricing Supplement will be further applied in accordance with the Sustainability-linked Sukuk Framework 1, as signed off by the Independent Sustainability Advisor. The latest Sustainability-linked Sukuk Framework 1 and Independent Sustainability Advisor sign-off can be accessed on the Issuer's website at the following link: <https://www.27four.com/agrarius/investorcentre>.

A copy of the Independent Sustainability Advisor's opinion on the Sustainability-linked Sukuk Framework 1, as relating to the Sukuk Notes set out in this Applicable Pricing Supplement, can be accessed on the Issuer's website at the following link <https://www.27four.com/agrarius/investorcentre>.

### **Additional eligibility criteria with which Investments and the Underlying Transactions must comply**

The eligibility criteria with which Investments and the Underlying Transactions must comply in addition to the provisions of the Master Investment Agreement and the Sustainability-linked Sukuk Framework 1 is detailed in **Annexure 2** to this Applicable Pricing Supplement.

### **Portfolio Covenants**

The Portfolio Covenants pertaining to this Applicable Pricing Supplement are set out in **Annexure 3**.

### **Information relating to the Investments and the Underlying Transactions**

Additional information and disclosures in relation to the Investments and Underlying Transactions will be made quarterly pursuant to the publication of the Investor Report.

### **Responsibility Statement:**

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Programme Memorandum or this Applicable Pricing Supplement which would make any statement false or misleading, that all reasonable enquiries to ascertain such facts have been made and that the Programme Memorandum together with this Applicable Pricing Supplement, contain all information required by law and the Debt Listings Requirements of the JSE. The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement and all documents incorporated by reference and any amendments or supplements to the aforementioned documents (see the section of the Programme Memorandum headed "*Documents Incorporated by Reference*").

The JSE takes no responsibility for the contents of the Programme Memorandum, the annual financial statements, annual report, this Applicable Pricing Supplement and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Programme Memorandum and the annual financial statements, the annual report or this

Applicable Pricing Supplement of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the debt securities is not to be taken in any way as an indication of the merits of the Issuer or of the debt securities and, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

Application is hereby made to list this issue of Sukuk Notes on **[xx] January 2024**.

**SIGNED** at Rosebank on the 31 January 2024

For and on behalf of

**AGRARIUS SUSTAINABILITY ENGINEERED (RF) LIMITED**

DocuSigned by:



31-Jan-2024 | 09:30 SAST

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Name: **CARL WERNER OPPERMAN**

Capacity: Director

Who warrants his/her authority hereto

DocuSigned by:



30-Jan-2024 | 23:40 PST

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Name: **JOHANNES LODEWICUS DU PREEZ**

Capacity: Director

Who warrants his/her authority hereto

**ANNEXURE 1A:  
SALIENT TERMS OF MASTER INVESTMENT AGREEMENT**

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**SALIENT TERMS OF THE MASTER INVESTMENT AGREEMENT**

Set out below is a summary of the salient terms of the Master Investment Agreement. The Master Investment Agreement has been made available in terms of the documents incorporated by reference in terms of the Programme Memorandum, pursuant to the section headed “*Documents Incorporated by Reference*”.

**1. Parties**

The parties to the Master Investment Agreement are Agrarius Sustainability Engineered (RF) Limited (i.e. the Issuer), Agrarius Agri Value Chain (RF) Proprietary Limited (i.e. Agrarius OpCo) and AVC Security SPV (RF) Proprietary Limited (i.e. the SPV Guarantor).

**2. Salient Terms**

- 2.1. Agrarius OpCo will, from time to time, offer the Issuer an opportunity to make Investments, in order for Agrarius OpCo to enter into the Underlying Transactions.
- 2.2. Each Investment will be made by the Issuer directly to Agrarius OpCo within 5 Business Days of receipt by the Issuer of proceeds for the relevant Tranche of Notes by paying the amount of the Investment into a South African bank account nominated by Agrarius OpCo.
- 2.3. Each Investment will be made in relation to a Series or Tranche of Notes and will be subject to the details and terms and conditions of the relevant Applicable Pricing Supplement.
- 2.4. The specific details of each Investment shall be contained in a Deed of Accession and will subsequently form part of the Master Investment Agreement.
- 2.5. Each Investment is made by the Issuer for the sole purpose of Agrarius OpCo entering into the Underlying Transactions and for no other purpose.
- 2.6. The amount repayable to the Issuer on a Repayment Date in respect of each Investment shall in each case be an amount equal to the lesser of –
  - 2.6.1. the amount specified in the Applicable Pricing Supplement; and
  - 2.6.2. the actual value realised from the Investments acquired in respect of that Investment.
- 2.7. Each Investment shall be repaid by Agrarius OpCo on the Redemption Date.

**3. Warranties**

The Master Investment Agreement contains warranties which are standard for agreements of this nature.

**4. Governing Law and Jurisdiction**

The Master Investment Agreement will in all respects be governed by and construed under the laws of the Republic of South Africa.

The security arrangements between the Issuer and Agrarius OpCo is summarised in the Programme Memorandum under the section headed ‘Description of the Security Structure’.

Agrarius OpCo will use the proceeds received from the Investments by the Issuer to pursue the Underlying Transactions with the Ultimate Obligors, as identified, originated and recommended by the Administrator, and through the conclusion of appropriate Underlying Transaction agreements pertaining to the acquisition of assets.

The Issuer has entered into an Administration Agreement with the Administrator, which governs the fees earned by the Administrator.

The Investments under each Deed of Accession, and assets of Agrarius Opco associated with each Deed of Accession will be separately identified in the Accounting Records of the Issuer for reporting purposes to allow for, *inter alia*, the Independent Sustainability Advisor to report accurately on the use of proceeds and compliance with the Sustainability Framework for each Series or Tranche of Notes, and to enhance performance reporting. These assets and liabilities associated under a Series or Tranche is however not legally segregated and Noteholders' exposure is not ring-fenced to a particular Series or Tranche of Notes.

**ANNEXURE 1B:  
DEED OF ACCESSION****DEED OF ACCESSION**

1. This Deed of Accession dated 31 January 2024 is supplemental to a master investment agreement concluded between Agrarius Sustainability Engineered (RF) Proprietary Limited (Issuer) and Agrarius Agri Value Chain SPV (RF) Proprietary Limited (Agrarius OpCo) and AVC Security SPV (RF) Proprietary Limited (Security SPV) (the "**Master Investment Agreement**").
2. Words and expressions defined in the Master Investment Agreement have the same meaning when used in this Deed of Accession.
3. On the date of this Deed, the Parties agree that the Investments made as per clause 4 (*Investment offer*) of the Master Investment Agreement will, in relation to Series or Tranche B1 under the relevant Applicable Pricing Supplement, comprise of the following salient features:
  - 3.1 Amount to be raised: ZAR 300 000 000 (four hundred million Rand).
  - 3.2 Classification of Notes: Senior, secured floating rate, Sustainability-linked asset backed, Shari'ah compliant Sukuk Notes.
  - 3.3 Term of Issue: 37 (thirty seven) months and 29 (twenty nine) days.
  - 3.4 Issue Denomination: ZAR (South African Rand).
  - 3.5 Minimum Subscription Amount: ZAR1 000 000 (one million Rand).
  - 3.6 Face value: ZAR 1.00 (one Rand) per Sukuk Note.
  - 3.7 Final Margin: 4.25%
  - 3.8 Final profit participation rate: Reference Rate (6 month JIBAR) (or such other generally adopted reference rate by which it may be succeeded and/or replaced prior to the Maturity Date) plus 4.25%. (An additional margin of 25 basis points (calculated in arrears) will be added to the margin in 3.7, in the event of the Issuer failing to meet any of the sustainability performance targets detailed in terms of the Sustainability-linked Sukuk Framework 1, which will accrue and become payable upon the dissolution of the Sukuk Notes.)
  - 3.9 Issue Date: 2 February 2024.
  - 3.10 Periodic Distribution Commencement Date: 2 February 2024.
  - 3.11 First Periodic Distribution Date: 30 September 2024 or, if any such date is not a Business Day, the date determined in terms of the Following Business Day Convention.
  - 3.12 Maturity Date: 31 March 2027, unless redeemed on any Optional Dissolution Date, Early Dissolution Date. If any such date is not a Business Day, the date determined in terms of the Following Business Day Convention.
  - 3.13 Use of Proceeds: the proceeds from the issue will be invested in Agrarius OpCo in accordance with the Master Investment Agreement, which in turn will invest in and/or conclude Underlying Transactions with counterparties in the agriculture value chain sector. All Underlying Transactions will have to be in accordance with the Sustainability-linked Sukuk Framework signed off by the Independent Sustainability Advisor.
  - 3.14 Nature of Underlying Transactions:



Agrarius strategically invests across the entire agriculture sector value chain. The investments span from 'in the field', 'on the field' to 'beyond the farm gate' up to the consumer's fork.

4. This Deed of Accession shall be governed by and construed in accordance with the laws of South Africa.

**AGREED AND ACCEPTED:**

Signed at Rosebank on 31-Jan-2024 | 09:30 SAST 2024

**AGRARIUS SUSTAINABILITY ENGINEERED (RF) LIMITED**


DocuSigned by:  DocuSigned by:   
30-Jan-2024 | 23:40 PST  
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Who warrants authority

**AGREED AND ACCEPTED:**

Signed at Rosebank on 30-Jan-2024 | 23:40 PST 2024

**AGRARIUS AGRI VALUE CHAIN (RF) PROPRIETARY LIMITED**


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Who warrants authority

**AGREED AND ACCEPTED:**

Signed at Rosebank on 31-Jan-2024 | 09:30 SAST 2024

**AGRARIUS AGRI VALUE CHAIN (RF) PROPRIETARY LIMITED**

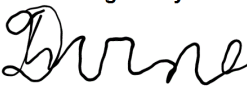
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Who warrants authority

**AGREED AND ACCEPTED:**

Signed at Newlands on 30-Jan-2024 | 23:54 PST 2024

**AVC SECURITY SPV (RF) PROPRIETARY LIMITED**

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Who warrants authority

**ANNEXURE 2:**

**ELIGIBILITY CRITERIA FOR INVESTMENTS AND UNDERLYING TRANSACTIONS**

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**1. General**

In accordance with the Programme Memorandum, each Tranche of Notes will be supported by an Applicable Pricing Supplement which will set out the terms and conditions associated with the specific Tranche of Notes, as read with the Programme Memorandum, as well as the eligibility criteria to be applied by Agrarius OpCo in considering, approving and concluding Underlying Transactions, including, *inter alia*:

- criteria for counterparties;
- nature of transaction;
- transaction term;
- maximum and minimum transaction values;
- minimum security requirements;
- financial and trading history; and
- ESG criteria.

**2. Eligibility Criteria**

The Issuer, Agrarius OpCo, AVC Security SPV and the Noteholders hereby agree that the Investments and Underlying Transactions to be financed from the proceeds from the issuance of Sukuk Notes will, in addition to the provisions detailed in the Programme Documents, comply with the additional criteria as detailed in this Annexure 2.

**2.1. Criteria for the counterparties**

Counterparties to Underlying Transactions must satisfy the following minimum criteria:

- 2.1.1. must be a juristic person whose asset value or annual turnover, together with the combined asset value or annual turnover of all related and inter-related juristic persons, at the time the agreement is concluded, is equal to or exceeds R2.5 million;
- 2.1.2. must be actively involved in the agriculture sector (i.e. passive and/or speculative counterparties will not be considered);
- 2.1.3. must have been operating and trading as a business for at least 3 years and the key management must have at least 10 years demonstrable experience in the agriculture sector and within executive management positions;
- 2.1.4. must be compliant with all relevant legislation and regulations, including relating to broad based black economic empowerment and labour;
- 2.1.5. must be involved in starting a new processing/beneficiation operation or in expanding or upgrading an existing processing/beneficiation operation in the agriculture sector value chain; and
- 2.1.6. in relation to empowerment related transactions, more relaxed criteria may be applicable, provided that the total exposure of such transactions do not exceed 5% of the total value of the portfolio.

**2.2. Terms of the Investments and Underlying Transactions**

All Investments and Underlying Transactions will be subject to the following additional terms/criteria:

- 2.2.1. all Underlying Transactions are concluded in terms of legally valid and binding agreements and that all the requisite authorizations are obtained;
- 2.2.2. all Underlying Transactions are asset-backed;



- 2.2.3. the aggregate value of a transaction is limited to R150 million. Any transaction where the value exceeds the R150 million value limit, the transaction must first be unanimously authorized by the board of the Issuer and the Agrarius OpCo Credit Committee;
- 2.2.4. the term of the Underlying Transactions will be for a maximum of 60 months. Should Underlying Transactions with a longer term be considered, it must be unanimously approved by the board of the Issuer and the Agrarius OpCo Credit Committee;
- 2.2.5. the SAC and Agrarius OpCo Credit Committee thoroughly assessing each and every Investment and/or Underlying Transaction, which assessments shall include aspects such as financial ratios, investment potential and management of non-permissible income;
- 2.2.6. sign-off by the SAC and Agrarius OpCo Credit Committee a condition precedent;
- 2.2.7. the Administrator will use its reasonable commercial endeavours to ensure that at least 30% of the portfolio of assets should comprise tangible assets;
- 2.2.8. counterparties may be required to submit a business plan in certain instances;
- 2.2.9. counterparties will be subject to a credit sign-off by Agrarius OpCo;
- 2.2.10. the project/business must exhibit economic merit in terms of profitability and sustainability;
- 2.2.11. only supporting activities that promote benefits to society and the environment;
- 2.2.12. prohibiting practices that aim to cultivate unjust gains such as speculation, short selling or excessive risk-taking;
- 2.2.13. sharing of risk and rewards on an equitable basis;
- 2.2.14. ensuring that transactions comply with rules that ordain amongst others trust, faithfulness to contracts, transparency and prohibition of interference or manipulation of market forces as well as coalitions (both in respect of investors and agri counterparties in underlying transactions);
- 2.2.15. excluding investments and/or transactions in prohibited goods or services that are harmful to humans and society as defined by the Shariah;
- 2.2.16. if any of the assets cease to be Shari'a compliant at any time during the duration of the Sukuk Notes, they must be removed from the pool of assets and be replaced with Shari'a-compliant assets;
- 2.2.17. must comply with the criteria detailed in the Sustainability-linked Sukuk Framework.

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**ADDITIONAL TERMS AND CONDITIONS**

*The following are additional terms and conditions (the **Additional Terms and Conditions**) which apply to the Notes contemplated in this Applicable Pricing Supplement (the **Senior Secured Notes**) and which will be incorporated by reference into each Senior Secured Note.*

**1. Redemption in the event of a breach of the Portfolio Covenants**

1.1 The Issuer shall for so long as any Senior Secured Note remains outstanding and during each Measurement Period, ensure that:

1.1.1 the maximum Loan to Value Ratio in respect of the Portfolio does not exceed 70% (seventy percent); and

1.1.2 the minimum spread on pricing of Underlying Transactions to be 2% over the Portfolio Rate.

1.2 Credit Committee approval will be obtained for each Underlying Transaction (**Incurrence Covenant**).

1.3 The Issuer shall within 120 (one hundred and twenty) days after each Measurement Date, test the Portfolio Covenants as at each Measurement Date by reference to the audited consolidated financial statements of the Issuer on that date, or, if not available, then the unaudited consolidated financial statements of the Issuer on that date. The Issuer shall subject to paragraph 1.4 below and within a reasonable period but not later than 7 (seven) days thereafter announce the results of such Portfolio Covenant test on SENS.

1.4 In the event of any dispute in respect of any calculation relating to the Portfolio Covenants or any other calculations required in respect of any Portfolio Covenant, such dispute shall be determined by independent auditors ("**Independent Auditors**"), appointed by the SPV Guarantor (which auditors must be one of PWC, KPMG, Deloitte, Mazars, PKF, BDO and Ernest & Young), acting as experts and not as arbitrators (taking into account these Additional Terms and Conditions), whose determination will, in the absence of manifest error, be final and binding on the Issuer and the Secured Noteholders.

1.5 The cost of such Independent Auditors resolving such dispute shall be paid by the party whose calculation is shown to be incorrect by the Independent Auditors, provided that if the calculations of both the disputing parties and the Issuer are shown to be incorrect by the Independent Auditors, the costs of such Independent Auditors shall be apportioned amongst the disputing parties and the Issuer by the Independent Auditors and the disputing parties and the Issuer shall be liable for such costs in such proportion.

1.6 A compliance certificate in respect of (i) compliance with the Portfolio Covenants as at each Measurement Date and (ii) compliance with the Incurrence Covenant over the relevant Measurement Period (**Compliance Certificate**), signed by 2 (two) directors of the Issuer, one of which shall be the financial director, will be available for inspection by the Secured Noteholders,

during normal office hours, at the registered office of the Issuer as set out at the end of the Programme Memorandum, within 120 (one hundred and twenty days) of each Measurement Date.

1.7 The Issuer shall upon written request from the SPV Guarantor, provide the SPV Guarantor with a list of Underlying Transactions as at the date of the written request from the SPV Guarantor, within 15 (fifteen) Business Days of receipt of the written request from the SPV Guarantor.

1.8 A **Breach Event** shall occur if at any time while the Senior Secured Notes remain outstanding, the Portfolio Covenants do not satisfy the required thresholds contemplated in Condition 1.1 above and the Issuer fails to remedy such breach within a period of 60 (sixty) days of the occurrence of such breach, to the extent possible (the **Remedy Period**).

1.9 Promptly upon expiry of the Remedy Period and the Issuer becoming aware that a Breach Event has occurred, the Issuer shall give a notice to the Secured Noteholders (**Breach Notice**) in accordance with Condition 23 (*Notices*) of such breach and outline the procedure for exercising the redemption contained in Condition 1.10 below.

1.10 If a Breach Event occurs at any time while the Senior Secured Notes remain outstanding and following receipt of a Breach Notice, then, provided the Secured Noteholders have:

1.10.1 in terms of Condition 23 (*Notices*) received a Breach Notice and the Issuer convened a meeting of Secured Noteholders within 15 (fifteen) days of the Breach Notice; and

1.10.2 resolved in terms of Condition 25.4 (*Meetings of Noteholders*) (following receipt of the relevant notice from the Issuer to call a meeting) by way of Extraordinary Resolution to redeem the Senior Secured Notes,

the Issuer shall redeem all the Senior Secured Notes held by the Secured Noteholders at the Early Dissolution Amount calculated in accordance with Condition 13.7 (*Early Dissolution Amounts*), together with accrued profits (if any) within 30 (thirty) days of having received a written notice, at its registered office, from the Secured Noteholders to redeem such Senior Secured Notes, unless prior to the delivery of such notice by the Secured Noteholders, the Issuer gives notice to redeem the Senior Secured Notes.

## 2. Additional Definitions

2.1 **Accounting Principles** means the generally accepted accounting principles in South Africa, including IFRS;

2.2 **Borrowings** means, on each Measurement Date, the aggregate Financial Indebtedness of the Issuer;

2.3 **Credit Committee** means the credit committee of Agrarius OpCo as constituted from time to time and for the time being;

2.4 **Financial Lease** means any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a financial or capital lease;

2.5 **Financial Indebtedness** means any indebtedness for or in respect of:

2.5.1 moneys borrowed and debit balances at banks or other financial institutions;

2.5.2 any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);

- 2.5.3 any note purchase facility or the issue of bonds, Notes, debentures, loan stock or any similar instrument;
- 2.5.4 the amount of any liability in respect of Financial Leases;
- 2.5.5 receivables sold or discounted (other than any receivables to the extent they are sold on non-recourse basis and meet any requirement for de-recognition under the Accounting Principles);
- 2.5.6 any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);
- 2.5.7 any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of (a) an underlying liability of the Issuer which liability would fall within one of the other paragraphs of this definition, or (b) any liabilities of the Issuer relating to any post-retirement benefit scheme;
- 2.5.8 any amount raised by the issue of redeemable shares which are redeemable or are otherwise classified as borrowings under the Accounting Principles;
- 2.5.9 any amount of any liability under an advance or deferred purchase agreement if (a) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question, or (b) the agreement is in respect of the supply of assets or services and payment is due more than 90 (ninety) days after the date of supply;
- 2.5.10 any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles; and
- 2.5.11 the amount of any liability in respect of any guarantee for any of the items referred to in Conditions 2.5.1 to 2.5.10 above;
- 2.6 **Financial Year End** means the financial year end of the Issuer which, as at the Signature Date, is March of each calendar year;
- 2.7 **Issuer Assets Valuation Amount** means on each Measurement Date, the aggregate value of the Portfolio including any additional assets held as security, using a desktop valuation method;
- 2.8 **Loan to Value Ratio** means, on each Measurement Date:
  - 2.8.1 the Borrowings;
  - 2.8.2 divided by the Issuer Assets Valuation Amount,  
expressed as a percentage, in each case on such date;

- 2.9 **Margin** means 425 basis points;
- 2.10 **Measurement Date** means each Financial Year End;
- 2.11 **Measurement Period** means each period of 12 (twelve) months ending on a Measurement Date;
- 2.12 **Portfolio** means the complete range of agricultural products across the agri value chain invested in under the Master Investment Agreement and comprising of all outstanding Underlying Transactions from time to time;
- 2.13 **Portfolio Covenants** means collectively the covenants set out in Condition 1.1 of this Annexure 3;
- 2.14 **Portfolio Rate** means 6 Month JIBAR plus Margin; and
- 2.15 **Treasury Transaction** means any currency or profit purchase, cap or collar agreement, forward rate agreements, profit share rates or currency future or option contracts, foreign exchange or currency purchase or sale agreement, currency swap or any derivative transaction and any other similar agreement entered into in connection with the protection against or benefit from fluctuation in any rate or price, to the extent that all of these activities are Shari'ah compliant.
- 2.16 **Disclaimer Regarding References to "Borrowings" and "Financial Indebtedness"**
- 2.16.1 In accordance with Shariah principles, the Issuer hereby discloses that any references to "Borrowings" and "Financial Indebtedness" in this Annexure 3 are solely for accounting purposes and do not imply the engagement in interest-bearing transactions or any form of conventional borrowing that contravenes Islamic financial principles.
- 2.16.2 The term "Borrowings" used in this Annexure 3 is employed as a conventional accounting convention to represent financial instruments or liabilities. These may include Islamic finance instruments compliant with Shariah principles, such as Murabaha, Ijara, Musharakah, or other permissible structures, in accordance with the guidelines and standards set forth by recognised Shariah scholars and regulatory authorities.