

PARATUS NAMIBIA HOLDINGS LIMITED
(Incorporated in the Republic of Namibia)
(Registration number 2017/0558) ("the Company")
(NSX Share code: PNH)

N\$ 1,000,000,000

Domestic Medium-Term Note Programme

Distribution of this Programme Memorandum is restricted and limited only to the persons to whom it has been forwarded ("the addressees"). It may not be copied, disclosed, disseminated, or otherwise distributed to other persons. Information included herein constitutes private and confidential information of the Issuer (as herein defined). Should any addressee decline to make an offer and to subscribe for Notes under any accompanying Applicable Pricing Supplement (as herein defined), this document and all accompanying documents must be returned to the Issuer forthwith, without any copies having been made. Secondary trades in Notes listed on the NSX under the Programme may, however, be undertaken without restriction, and upon listing this Programme Memorandum constitutes a public document and is open for secondary market trades.

Under this N\$ 1,000,000,000 Domestic Medium Term Note Programme ("the Programme" or "Programme Memorandum") Paratus Namibia Holdings Limited ("the Issuer"), may from time to time issue notes ("the Notes"), subject to the terms and conditions ("Terms and Conditions") contained in this Programme Memorandum. Any other terms and conditions not contained in the Terms and Conditions that are applicable to any Notes, replacing or modifying the Terms and Conditions, will be set forth in a pricing supplement (the "Applicable Pricing Supplement"). Save as set out herein, the Notes will not be subject to any maximum or minimum maturity. The maximum aggregate Nominal Amount of all Notes from time to time outstanding will not exceed N\$ 1,000,000,000.

Capitalised terms in this Programme Memorandum shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in a specific section or it is clearly inappropriate from the context.

Application was made for this Programme and was approved by the Namibian Stock Exchange ("NSX"). Any successor, or such other or further Exchange as may be determined by the Issuer and the relevant authority and subject to the applicable ruling laws may be approached for an approval in the future. Application may be made for the Notes to be issued under this Programme to be listed on the NSX or its successor, or such other or further Exchange as may be determined by the Issuer and the relevant authority and subject to the applicable ruling laws. Notice of the aggregate Nominal Amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche of Notes will be set forth in the Applicable Pricing Supplement which will be delivered to the NSX (as defined under "Form of Notes") on or before the date of issue of such Notes and the Notes may then be traded by or through members of the NSX from the date specified in the Applicable Pricing Supplement. The Issuer may determine that particular Notes will not be listed on the NSX or any other Exchange and in that case, no Applicable Pricing Supplement will be delivered to the NSX. However, the NSX will be notified of all issuances under this Programme. Unlisted Notes are not regulated by the NSX and accordingly, the holders of Unlisted Notes will have no recourse against the NSX or the Guarantee Fund, as the case may be. Claims against the Guarantee Fund may only be made in respect of the trading of Listed Notes listed on the NSX and in accordance with the rules of the Guarantee Fund.

The Notes may be issued on a continuing basis and be placed by one or more of the Dealers and any additional Dealer appointed from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "Dealer" and together "the Dealers"). The Dealer or Dealers with whom the Issuer agrees or proposes to agree on the issue of any Notes is or are referred to as "the relevant Dealer(s)" in respect of those Notes.

An investment in Notes issued under the Programme involves certain risks. Noteholders should be aware of the risks and considerations set out in the "Investor Considerations" section as well as the "Taxation" section of this Programme Memorandum (further see the section of this Programme Memorandum headed "Documents Incorporated by Reference").

This Programme has, as at the Programme Date, not been rated by any rating agency, however, the Issuer may at any time obtain a rating from a rating agency for the Programme or any issue of Notes issued pursuant to the terms of this Programme. The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein contained, in which case a supplementary Programme Memorandum, if appropriate and subject to NSX approval will be made available which will describe the effect of the agreement reached in relation to such Notes.

Arranger



**Calculation Agent and
Dealer**



Sponsor



Transfer Agent



Legal Advisers to the Issuer



Paying Agent



I. CORPORATE INFORMATION

PARATUS NAMIBIA HOLDINGS LIMITED

Arranger

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 E-mail: monet@cirrus.com
 www.cirrus.com.na

Company Secretary

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 www.cronjelaw.com

Calculation Agent and Dealer

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 www.cirrus.com.na
 Member of the NSX

Paying Agent

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 Registration Number: 2017/0558
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Legal Advisers to the Issuer

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 Registration Number: 2020/0107
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 E-mail: info@cronjelaw.com
 www.cronjelaw.com

Sponsor

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 E-mail: info@sss.com.na
 www.sss.com.na

Registered Address of the Issuer

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 Registration Number: 2017/0558
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 Tel: +264 83 300 1000
 E-mail: info@paratus.africa
<https://invest.paratus.africa>

Transfer Secretaries

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 E-mail: ts@nsx.com.na
<https://www.nsx.com.na/index.php/transfer-secretaries>

Auditor to the Issuer

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 E-mail: louis.van.der.riet@pwc.com
 www.pwc.com/na

Programme Memorandum dated 18 May 2021

II. GENERAL

- (a) *The Issuer accepts full responsibility for the information contained in this Programme Memorandum and all documents incorporated by reference (see the section of the Programme Memorandum headed "Documents Incorporated by Reference"), the annual report (as amended or restated from time to time), except as otherwise stated herein. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Programme Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. This Programme Memorandum contains all information required by the Applicable Laws and the debt listings requirements of the NSX. The NSX takes no responsibility for the contents of this Programme Memorandum, any Applicable Pricing Supplements, or the annual reports of the Issuer (as amended or restated from time to time), makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaim any liability for any loss arising from or in reliance upon the whole or any part of this Programme Memorandum, any Applicable Pricing Supplements, or the annual reports of the Issuer (as amended or restated from time to time).*
- (b) *The Issuer, having made all reasonable enquiries, confirms that this Programme Memorandum contains or incorporates all information which is material in the context of the issue and the offering of Notes, that the information contained or incorporated in this Programme Memorandum is true and accurate in all material respects and is not misleading, that the opinions and the intentions expressed in this Programme Memorandum are honestly held and that there are no other facts the omission of which would make this Programme Memorandum or any of such information or expression of any such opinions or intentions misleading in any material respect.*
- (c) *This Programme Memorandum is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "Documents Incorporated by Reference"). This Programme Memorandum shall be read and construed on the basis that such documents are incorporated into and form part of this Programme Memorandum.*
- (d) *The Arrangers, the Dealers, the NSX Debt Sponsor, other professional advisers and the NSX have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Arrangers, the Dealers, the NSX Debt Sponsor or other professional advisers as to the accuracy or completeness of the information contained in this Programme Memorandum or any other information provided by the Issuer. The Arrangers, the Dealers, the NSX Debt Sponsor and other professional advisers do not accept any liability in relation to the information contained in this Programme Memorandum or any other information provided by the Issuer in connection with the Programme.*
- (e) *No person has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Programme Memorandum or any other information supplied by the Issuer in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Arrangers, the Dealers, the NSX Debt Sponsor, or other professional advisors.*
- (f) *Neither this Programme Memorandum nor any other information supplied in connection with the Programme is intended to provide a basis for any credit or other evaluation, or should be considered as a recommendation by the Issuer, the Arrangers, any of the Dealers, the NSX Debt Sponsor, or other professional advisors that any recipient of this Programme Memorandum or any other information supplied in connection with the Programme, should subscribe for or purchase any Notes.*
- (g) *Each investor contemplating the subscription for or purchase of any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer and its subscription, for, or purchase of, Notes should be based on such investigation as it deems necessary. Neither this Programme Memorandum nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer, the Arrangers or any of the Dealers to any person to subscribe for or to purchase any Notes.*
- (h) *The delivery of this Programme Memorandum, or any Applicable Pricing Supplement, or the offering, sale or delivery of any Note does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other financial statements or other information supplied in connection with the Programme is correct as at any time subsequent to the date indicated in the document containing the same. The Arrangers, Dealers, the NSX Debt Sponsor and other professional advisers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, among others, the most recent non-consolidated and/or consolidated financial statements of the Issuer when deciding whether or not to subscribe for or purchase any Notes.*
- (i) ***This Programme Memorandum does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction.***

- (j) ***The distribution of this Programme Memorandum and the offer for subscription or sale of Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Programme Memorandum or any Notes come must inform themselves about, and observe any such restrictions. In particular, there are restrictions on the distribution of this Programme Memorandum and the offer or sale of Notes in the United States of America, the United Kingdom and the Republic of Namibia. None of the Issuer, the Arrangers, the Dealers, the NSX Debt Sponsor or the other professional advisers represents that this Programme Memorandum may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arrangers, the Dealers, the NSX Debt Sponsor or the other professional advisers which would permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or subscribed for or sold, directly or indirectly, and neither this Programme Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any Applicable Laws and regulations, and the Dealers have represented that all offers and sales by them will be made in compliance with this prohibition.***
- (k) ***Notes have not been and will not be registered under the United States Securities Act of 1933 (the “Securities Act”). Notes may not be offered, subscribed for or sold or delivered within the United States of America or to U.S. persons except in accordance with Regulation S under the Securities Act. In addition, there are restrictions on the distribution of this Programme Memorandum in Namibia, the European Union and the United Kingdom. For a more complete description of certain restriction on the offering, sale and delivery of Notes and distribution of this Programme Memorandum, see the section of this Programme Memorandum headed “Subscription and Sale” below.***
- (l) *Where any term is defined within the context of any particular clause or section in this Programme Memorandum, the term so defined, unless it is clear from the clause or section in question that the term so defined has limited application to the relevant clause or section, shall bear the meaning ascribed to it for all purposes in this Programme Memorandum, unless qualified by the terms and conditions of any particular Tranche as set out in the Applicable Pricing Supplement or unless the context otherwise requires. Expressions defined in this Programme Memorandum shall bear the same meanings in supplements to this Programme Memorandum which do not themselves contain their own definitions.*
- (m) *In connection with the issue and distribution of any Tranche of Notes, the Dealer may over-allot or effect transactions which stabilise or maintain the market price of the Notes of the Series of which such Tranche forms part, at a level which might not otherwise prevail. Such stabilising shall be carried out in accordance with all Applicable Laws and regulations and if commenced, may be discontinued at any time.*

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1. DOCUMENTS INCORPORATED BY REFERENCE

- 1.1. The following documents shall be deemed to be incorporated in, and to form part of, this Programme Memorandum:
- 1.1.1. all amendments and/or supplements to this Programme Memorandum prepared and circulated by the Issuer from time to time;
 - 1.1.2. each Applicable Pricing Supplement relating to any Tranche of Notes issued under the Programme;
 - 1.1.3. in respect of any issue of Notes under the Programme, as at the Programme Date, the published consolidated audited annual financial statements of the Issuer, for the financial years ended 28 February 2018, 28 February 2019, and 30 June 2020 together with such statements, reports and notes attached to or intended to be read with such financial statements, and in respect of any issue of Notes after the Programme Date, the published audited annual financial statements, and notes thereto, of the Issuer in respect of further financial years, as and when same become available;
 - 1.1.4. in respect of any issue of Notes under the Programme, as at the Programme Date, the published consolidated audited annual financial statements of the Issuer's subsidiaries, for the financial years ended 28 February 2018, 28 February 2019, and 30 June 2020 together with such statements, reports and notes attached to or intended to be read with such financial statements, and in respect of any issue of Notes after the Programme Date, the published audited annual financial statements, and notes thereto, of the Issuer in respect of further financial years, as and when same become available;
 - 1.1.5. as at the Programme Date, the published annual report of the Issuer (incorporating the Issuer's consolidated audited annual financial statements, together with reports and the notes thereto) attached to or intended to be read with such financial statements of the Issuer for the financial years ended 28 February 2018, 28 February 2019, and 30 June 2020 and in respect of any issue of Notes after the Programme Date the published annual report of the Issuer in respect of further financial years, as and when such published annual report becomes available;
 - 1.1.6. the unaudited interim financial statements of the Issuer, together with such statements, reports and notes attached to or intended to be read with such unaudited interim financial statements as and when such interim financial statements become available; and
 - 1.1.7. in respect of any Notes, all information pertaining to the Issuer which is relevant to the Programme and/or this Programme Memorandum, which is electronically submitted through the NSX Daily Report, and if applicable, electronically submitted through the electronic news service operated by the NSX ("**NENS**"), to subscribers to that electronic news service and/or available on any electronic news service established or used or required by the NSX if required,

save that any statement contained herein or in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Programme Memorandum to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

- 1.2. In the event that the Notes are listed, the Issuer will, in connection with the listing of the Notes on the NSX , or on such other Exchange or further Exchange or Exchanges as may be selected by the Issuer and for so long as any Note remains Outstanding and listed on such Exchange, publish a new Programme Memorandum or a further supplement to the Programme Memorandum on the occasion of any subsequent issue of Notes where there has been a material adverse change in the condition (financial or otherwise) of the Issuer which is not then reflected in the Programme Memorandum or any supplement to the Programme Memorandum or any modification of the terms of the Programme which would then make the Programme Memorandum inaccurate or misleading, but at all times subject to the relevant approvals having been obtained as set out in Schedule 15 of the NSX Listing Requirements.
- 1.3. Any such new Programme Memorandum or Programme Memorandum as supplemented shall be deemed to have been substituted for the previous Programme Memorandum from the date of its issue.
- 1.4. The Issuer will provide, free of charge, to each person to whom a copy of the Programme Memorandum has been delivered, upon request of such person, a copy of any of the documents deemed to be incorporated herein by reference, unless such documents have been modified or superseded. Requests for such documents should be directed to the Transfer Agent at its registered office as set out herein.
- 1.5. The Programme Memorandum and supplements thereto (if any), as well as the Annual Financial Statements (to be published as required by the Companies Act with submission to the NSX within six (6) months after year end of the Issuer) shall be electronical available on the Issuer's website at <https://invest.paratus.africa>, or the NSX's website at nsx.com.na.

2. DESCRIPTION OF THE PROGRAMME

- 2.1. A general description of the Programme is set out below. The general description does not purport to be complete and is taken from, and is qualified by, the remainder of this Programme Memorandum and, in relation to a Tranche of Notes, the Applicable Pricing Supplement.
- 2.2. Under the Programme the Issuer may from time to time issue Notes denominated in Namibia Dollars denominated in such currency as is specified in the Applicable Pricing Supplement. For the purpose of calculating the NAD equivalent, as the case may be, of the aggregate Nominal Amount of the Notes issued under the Programme from time to time, the NAD equivalent, as the case may be, of the Notes denominated in another Specified Currency (as specified in the Applicable Pricing Supplement) shall be determined as of the date of issue of such Notes (the “**Agreement Date**”) on the basis of the spot rate for the sale of the NAD, as the case may be, against the purchase of such Specified Currency in the Namibian foreign exchange market, as the case may be, quoted by any leading bank selected by the Issuer on the Agreement Date (the “**Conversion Rate**”). The applicable terms of any Notes will be set out in the Terms and Conditions incorporated by reference into the Notes as modified and supplemented by the Applicable Pricing Supplement and any supplement to the Programme Memorandum. A summary of the Programme and Terms and Conditions is set out below.
- 2.3. This Programme Memorandum will only apply to Notes issued and Outstanding under the Programme in an aggregate Nominal Amount which does not exceed N\$1,000,000,000.
- 2.4. From time to time, the Issuer may wish to increase the aggregate Nominal Amount of the Notes that may be issued under the Programme. Subject to the requirements of the NSX and/or any such other Exchange or Exchanges on which the Notes may be listed or in terms of any law, the Issuer may without the consent of the Noteholders, increase the aggregate Nominal Amount of the Notes that may be issued under the Programme by delivering a notice thereof to the Noteholders and the relevant Exchange in accordance with Condition 6.17 (*Notices*) of the Terms and Conditions. Upon such notice being given, all references in the Programme Memorandum or any other agreement, deed or document in relation to the Programme, to the aggregate Nominal Amount of the Notes, shall be deemed to be references to the increased aggregate Nominal Amount.
- 2.5. For the purpose of calculating the aggregate Nominal Amount of Notes issued under the Programme from time to time the amount of Zero Coupon Notes and other Notes issued at a discount or premium shall be calculated by reference to the net proceeds received by the Issuer for the relevant issue.
- 2.6. Partly Paid Notes and Index-Linked Notes, the Conversion Rate shall be applied to the Nominal Amount regardless of the amount paid up on such Notes.
- 2.7. **Listed vs unlisted Notes:** A Tranche of Notes may be listed on the Bond Market of the NSX, subject to Applicable Laws. Unlisted Notes may also be issued under the Programme subject to Applicable Laws. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed and, if so, on which Financial Exchange. If the Issuer issues a Tranche of unlisted Notes, the Issuer will, by no later than the last day of the month of the issue of that Tranche of Notes, inform the NSX in writing of the aggregate Nominal Amount and the Maturity Date (if any) of that Tranche of Notes.
- 2.8. **Manner in which Notes will be issued:** The Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the applicable terms and conditions of that tranche set out in the Applicable Pricing Supplement.
- 2.9. The Applicable Pricing Supplement relating to a Tranche of Notes will set out, among other things, the Nominal Amount, the Issue Date, the Issue Price, the Optional Maturity Date (where applicable), the Final Maturity Date and, in the case of interest-bearing Notes, the Interest Rate and the Interest Payment Dates.
- 2.10. Types of notes The Notes may comprise, without limitation, Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Index-Linked Notes, Zero Coupon Notes and/or such combination of the foregoing Notes and/or such other type of Note as may be determined by the Issuer and the relevant Dealer(s) and specified in the Applicable Pricing Supplement. A Tranche of Notes will not (save as is set out in this Programme Memorandum and/or the Applicable Pricing Supplement) be subject to any minimum or maximum maturity.
- 2.11. The Notes will constitute direct, unconditional, subordinated, unsubordinated and unsecured obligations of the Issuer and will rank *pari passu* amongst themselves and, subject to Condition 6.7 and save for certain debts accorded preferential rights by law, at least *pari passu* with all other present and future unsecured unsubordinated obligations of the Issuer, as set out in Condition 6.6.
- 2.12. In the event of a central securities depository being established, and such central securities depository is established at any time after the Programme Date, then and in such an event a copy of the signed Applicable Pricing Supplement relating to a Tranche of Notes which is to be listed on the NSX, will be delivered to the CSD and the NSX, before the Issue Date, and the Notes in that Tranche may be traded by or through NSX Brokers, from the date specified in the Applicable Pricing Supplement,

in accordance with the Applicable Procedures. The settlement of trades in Notes which are listed on the NSX will take place in accordance with the electronic settlement procedures of the CSD.

This Programme Memorandum will only apply to Notes issued under the Programme on or after the Programme Date.

A summary of the Programme and the Terms and Conditions appear below.

3. SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified by, the remainder of this Programme Memorandum and, in relation to the Terms and Conditions of any particular Tranche of Notes, the Applicable Pricing Supplement. Capitalised terms not separately defined herein shall bear the meaning given to them in the Terms and Conditions.

- 3.1. **Arranger(s)** Cirrus Capital (Pty) Ltd (as arranger of the Programme).
- 3.2. **Auditors** PricewaterhouseCoopers (Chartered Accountants (Namibia)) or such other independent auditor (or independent firm of auditors) as may be appointed from time to time.
- 3.3. **Calculation Agent** Cirrus Securities (Pty) Ltd (member of the NSX), unless the Issuer elects to appoint, in relation to one or more Tranche(s) of Notes or a Series of Notes, another entity as Calculation Agent pursuant to an Agency Agreement, as contemplated in Condition 6.16 (*Transfer Agent, Paying Agent and Calculation Agent*).
- 3.4. **Clearing and settlement**
Notes listed on the NSX:
Each Tranche Notes which is listed on the NSX will be issued, cleared and settled in accordance with the NSX Rules and settlement procedures for the time being of the NSX, by the Paying Agent in conjunction with the NSX Broker(s).

In the event of a central securities depository (“CSD”) being established, and such CSD is established at any time after the Programme Date, then and in such an event, each Tranche of Notes which is listed on the NSX, may be issued in registered uncertificated form and will be held in the CSD. Each Tranche of Notes which would be held in the CSD will be issued, cleared and settled in accordance with the Applicable Procedures through the CSD electronic settlement system.

Notes listed on any Exchange other than (or in addition to) the NSX:
Each Tranche of Notes which is listed on any Exchange other than (or in addition to) the NSX will be issued, cleared and settled in accordance with the rules and settlement procedures for the time being of that Exchange (see Section 10 of this Programme Memorandum headed “Settlement, Clearing and Transfer”).

Unlisted Notes:
Unlisted Notes will be settled by Payment in conjunction with the NSX Broker(s), if applicable (see Section 10 of this Programme Memorandum headed “Settlement, Clearing and Transfer”).
- 3.5. **CSD**
The entity that may be licensed or otherwise authorised as a central securities depository in terms of any law in Namibia or in terms of the rules of any regulatory authority, which may be established, at any time after the Programme Date, or any additional or alternate depository approved by the Issuer.

The CSD would be the operator of an electronic clearing system and be appointed by the NSX to match, clear and facilitate the settlement of all transactions concluded on the NSX.
- 3.6. **Dealer(s)** Cirrus Securities (Pty) Ltd, and any/or additional Dealer appointed under the Programme by the Issuer from time to time, which appointment may be for a specific issue or on an ongoing basis.
- 3.7. **Description of Programme** Paratus Namibia Holdings Limited N\$1,000,000,000 Domestic Medium Term Note Programme.
- 3.8. **Form of Notes**
Each Tranche of unlisted Notes and each Tranche of Notes which is listed only on the NSX will be issued in registered certificated form. Notes which are issued in registered certificated form will be represented by Individual Certificate(s).

In the event of a CSD depository being established, and such CSD is established at any time after the Programme Date, then and in such an event, each Tranche of Notes which is listed on the NSX may be issued in registered uncertificated form in terms of such laws and/or rules and would be held in the CSD. Notes issued in registered uncertificated form would not be represented by any certificate or written instrument.

The Notes may not be issued in bearer form.

(see Section 4 of this Programme Memorandum headed “Form of the Notes”)
- 3.9. **Governing Law** The Terms and Conditions and the Notes will be governed by and construed in accordance with the laws of Namibia in force from time to time.

3.10. Interest	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate or be index-linked, and the method of calculating interest will be specified in the Applicable Pricing Supplement.
3.11. Interest Rate, Interest Period(s), or Interest Payment Dates(s)	The Interest Rate, Interest Payment Date(s) and Interest Period(s), if any, applicable to a Tranche of Notes will be specified in the Applicable Pricing Supplement.
3.12. Issue and transfer taxes	<p>As at the Programme Date:</p> <p>stamp duty of 0.2% of the aggregate Nominal Amount of a Tranche of Notes is payable by the Issuer to the Namibian Receiver of Revenue upon the original issue of such Tranche of Notes;</p> <p>subject to the exemption set out in the paragraph below, stamp duty of 0.2% of the aggregate nominal transfer price of the Notes is payable by the transferee to the Namibian Receiver of Revenue upon the registration of transfer of such Notes; and</p> <p>no stamp duty is payable in respect of the registration of transfer of any Notes which are listed on the NSX or (if applicable) on any other licensed “exchange” as defined in the Namibian Stock Exchanges Control Act.</p> <p>Any future transfer duties and/or taxes that may be introduced in respect of (or may be applicable to) the transfer of the Notes, as the case may be, will be for the account of Noteholders (see further the section of this Programme Memorandum headed “TAXATION”).</p>
3.13. Issue price	Notes may be issued on a fully paid or a partly paid basis and at their Nominal Amount or at a discount or premium to their Nominal Amount as specified in the Applicable Pricing Supplement.
3.14. Issuer or PNH	Paratus Namibia Holdings Limited.
3.15. Listing	The Programme was approved by the NSX on 16 April 2021. Notes issued under the Programme may be listed on the NSX (or on a successor Exchange to the NSX or such other or further Exchange or Exchanges as may be selected by the Issuer in relation to such issue). Unlisted Notes may also be issued under the Programme subject to the applicable laws, although such unlisted Notes will not regulated by the NSX, apart from the obligation of the Issuer to notify the NSX of the aggregate Nominal Amount and the Maturity Date (if any) of that unlisted Tranche of Notes.
3.16. Maturities of Notes	Such maturity(ies) as specified in the Applicable Pricing Supplement. The Notes are not subject to any minimum or maximum maturity.
3.17. Negative Pledge	Senior Notes will have the benefit of a negative pledge as described in Condition 6.7 (<i>Negative Pledge</i>) of the Terms and Conditions.
3.18. Namibia	Republic of Namibia.
3.19. Noteholder(s)	The holders of the Notes as reflected in the Register.
3.20. Notes	<p>Notes issued by the Issuer under the Programme:</p> <p>Fixed Rate Notes Fixed Rate interest will be payable in arrears on such date or dates as may be agreed between the Issuer and the relevant Dealer(s), as indicated in the Applicable Pricing Supplement and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).</p> <p>Floating Rate Notes Floating Rate Notes will bear interest calculated at a rate determined: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions; or (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quoting service; or (iii) on such other basis as may be agreed between the Issuer and the relevant Dealer(s) as indicated in the Applicable Pricing Supplement.</p> <p>The Margin (if any) relating to such Floating Rate Notes will be agreed between the Issuer and the relevant Dealer(s) for each issue of Floating Rate Notes as indicated in the Applicable Pricing Supplement.</p> <p>Floating Rate Notes may also have a maximum Interest Rate, a minimum Interest Rate or both, as indicated in the Applicable Pricing Supplement.</p> <p>The Interest Period for Floating Rate Notes may be 1 (one), 2 (two), 3 (three), 6 (six), or 12 (twelve) months or such other period as the Issuer</p>

and the relevant Dealer(s) may agree as indicated in the Applicable Pricing Supplement.

Zero Coupon Notes	Zero Coupon Notes will be issued at a discount to their Nominal Amount and will not bear interest (except in the case of late payment as specified).
Index-Linked Notes	Payments (whether in respect of interest on Indexed Interest Notes or in respect of principal on Indexed Redemption Amount Notes and whether at maturity or otherwise) will be calculated by reference to such index and/or formula as the Issuer and the relevant Dealer(s) may agree, as indicated in the Applicable Pricing Supplement.
Dual Currency Notes	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Dealer(s) may agree, as indicated in the Applicable Pricing Supplement.
Mixed Rate Notes	Mixed Rate Notes will bear interest over respective periods at the rates applicable for any combination of Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Index-Linked Notes, Dual Currency Notes or Other Notes, each as specified in the Applicable Pricing Supplement.
Partly Paid Notes	The Issue Price will be payable in two or more instalments as set out in the Applicable Pricing Supplement.
Exchangeable Notes	Exchangeable Notes may be redeemed by the Issuer in cash or by the delivery of securities, as specified in the Applicable Pricing Supplement.
Other Notes	Terms applicable to any other type of Notes that are approved by the NSX, or its respective successor, or such other or further Financial Exchange as may be selected by the Issuer in relation to an issue of listed Notes, or as agreed between the Issuer and the relevant Dealer(s) in respect of unlisted Notes, will be set out in the Applicable Pricing Supplement.

- 3.21. **NSX** The Namibian Stock Exchange, licensed as an exchange in terms of Section 1 of the Namibia Stock Exchanges Control Act, and any successor exchange operating in terms of the Stock Exchanges Control Act.
- 3.22. **NSX Debt Sponsor** Simonis Storm Securities (Pty) Ltd, (member of the NSX) is the sponsor of the Programme.
- 3.23. **Paying Agent** The Issuer, or such other entity appointed by the Issuer as Paying Agent, in which event that other entity will act as Paying Agent, as specified in the Applicable Pricing Supplement.
- 3.24. **Programme Amount** Up to nominal value of N\$1,000,000,000 outstanding, including any unlisted Tranches, at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
- 3.25. **Rating** As at the Programme Date, neither the Issuer or Programme is rated, but may be rated by a Rating Agency, on a national or international scale after the Programme Date. A Tranche of Notes may, on or before the Issue Date, be rated by a Rating Agency on a national or international scale. The Applicable Pricing Supplement will reflect the Rating, if any, which has been assigned to the Issuer and/or the Programme and/or a Tranche of Notes, as the case may be as well as the Rating Agency which assigned such Rating(s). A Rating is not a recommendation to subscribe for, buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the Rating Agency. Any adverse change in the Rating of the Issuer and/or the Programme and/or a Tranche of Notes, as the case may be, could adversely affect the trading price of all or any of the Notes.
- 3.26. **Redemption** The Notes will be redeemable at the option of the Issuer, subject to paragraph 15.4 of Schedule 15 of the NSX Listing Requirements, upon giving not less than 30 and not more than 60 days' irrevocable notice (or such other notice period (if any) as is indicated in the Applicable Pricing Supplement) notice in accordance with Condition 6.17 (*Notices*) to the Noteholders on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the Applicable Pricing Supplement.
- 3.27. **Register** The register maintained by the Transfer Agent in terms of the Terms and Conditions.
- 3.28. **Selling Restrictions** The distribution of this Programme Memorandum and/or any Applicable Pricing Supplement and any offering or sale of or subscription for a Tranche of Notes may be restricted by law in certain jurisdictions, and is restricted by law in the United States of America, the United Kingdom, the

European Economic Area, Namibia (see section “*Subscription and Sale*”). Any other or additional restrictions which are applicable to the placing of a Tranche of Notes will be set out in the Applicable Pricing Supplement.

Persons who come into possession of this Programme Memorandum and/or any Applicable Pricing Supplement must inform themselves about and observe all applicable selling restrictions.

- 3.29. **Settlement Agent** PNH, or such agent as appointed by PNH from time to time.
- 3.30. **Specified Currency** N\$ or Namibia Dollar, the lawful currency of Namibia, or subject to all Applicable Laws, such currency as is specified in the Applicable Pricing Supplement.
- 3.31. **Specified Denomination** In relation to each Note in a Tranche of Notes, the amount specified as such in the Applicable Pricing Supplement.
- 3.32. **Status of Notes** The Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will rank *pari passu* amongst themselves, and subject to Condition 6.7 (*Negative Pledge*) and save for certain debts accorded preferential rights by law, at least *pari passu* with all other present and future unsecured, unsubordinated obligations of the Issuer, as set out in Condition 6.6 (*Status and Characteristics of Unsubordinated Notes*).
- 3.33. **Taxation** A summary of the applicable Tax legislation in respect of the Notes, as at the Programme Date, is set out in the section of this Programme Memorandum headed “*Taxation*”. The summary does not constitute tax advice. Potential investors in the Notes should, before making an investment in the Notes, consult their own professional advisers as to the potential tax consequences of, and their tax positions in respect of, an investment in the Notes.
- 3.34. **Transfer Agent** Transfer Secretaries (Proprietary) Limited.
- 3.35. **Terms and Conditions** The terms and conditions of the Notes are set out in the section headed “*Terms and Conditions of the Notes*”. The Applicable Pricing Supplement may specify other ‘terms and conditions’ which may replace, modify or supplement the Terms and Conditions in relation to specific terms and conditions of the Notes of any Tranche of Notes issued.
- 3.36. **Unlisted Notes** Notes which are not listed on the NSX, any successor Exchange or any further Exchange as contemplated in the Programme;
- 3.37. **Use of Proceeds** The Issuer will use the issue proceeds of the Notes for its general corporate purposes, as well as infrastructure roll-outs or as may otherwise be described in the Applicable Pricing Supplement.
- 3.38. **Withholding Taxes** As at the Programme Date, all payments of principal and Interest in respect of the Notes will be made after withholding or deducting of any taxes levied in Namibia. In the event that withholding tax or such other deduction is required by applicable law, then the Issuer will, subject to certain exceptions as provided in Condition 6.11 (*Taxation*) deduct such taxes from the interest payable and pay the remaining amounts to the Noteholders, net of deductions (see additional section headed “*Taxation*”).

4. FORM OF THE NOTES

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

4.1. **General**

A Tranche of Notes will be issued in registered certificated form and may be issued in registered uncertificated form in the event of a CSD being established, and such CSD is established any time after the Programme Date. No Notes will be issued in bearer form.

4.2. **Notes issued in certificated form**

- 4.2.1. Each Tranche of unlisted Notes and each Tranche of Notes listed on the NSX will be issued in registered certificated form and will be represented by one or more Individual Certificates, or electronic format in the event of and upon a CSD being established.
- 4.2.2. Each Noteholder which is represented by an Individual Certificate will be named in the Register as the registered Noteholder. Joint (or multiple) registered Noteholders of the same Notes will not be permitted until such time as the NSX's payment and settlement system allows for split payment of amounts which are due and payable in respect of such Notes to each such joint (or multiple) registered Noteholders.
- 4.2.3. Title to Notes represented by Individual Certificates will pass upon registration of transfer in accordance with Condition 6.14 (*Transfer, Exchange and Replacement of Notes*).
- 4.2.4. The Issuer, the Paying Agent and Transfer Agent will regard the Register as the conclusive record of title to Notes represented by Individual Certificates.
- 4.2.5. Payments of all amounts payable in respect of the Notes will be made to the person named as the registered Noteholder of such Notes in the Register at 17h00 (Namibian time) on the Last Day to Register.

4.3. **Notes issued in uncertificated form**

In the event a CSD being established, and such CSD is established any time after the Programme Date, then and in such event, each Tranche of Notes which is listed on the NSX, will be issued in registered uncertificated form in terms of the relevant laws or rules that may become applicable, and will be held in the CSD. Notes issued in registered uncertificated form would not be represented by any certificate or written instrument.

4.4. **Beneficial Interests in Notes held in the CSD**

- 4.4.1. In the event of a CSD being established, and such CSD is established any time after the Programme Date, then and in such event, while a Tranche of Notes is held in its entirety in the CSD, the CSD's Nominee would be named in the Register as the sole Noteholder in that Tranche.
- 4.4.2. Subject to the provisions of the law or the rules that may become applicable as aforesaid –
 - 4.4.2.1. the CSD would hold each Tranche of Notes, and the Applicable Procedures, and all amounts to be paid and all rights to be exercised in respect of the Note held in the CSD would be paid to any or may be exercised only by the CSD's Nominee for the holders of Beneficial Interests in such Notes;
 - 4.4.2.2. CSD would maintain central securities accounts only for CSD Participants.;
 - 4.4.2.3. Beneficial Interests which would be held by CSD Participants would be held directly through CSD, and the CSD would hold such Beneficial Interests, on behalf of such CSD Participants, through the central securities accounts maintained by the CSD for such CSD Participants;
 - 4.4.2.4. CSD Participants would in turn be required to maintain securities accounts for their clients. Beneficial Interests which would be held by clients of CSD Participants would be held indirectly through such CSD Participants, and such CSD Participants would hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such CSD Participants for such clients. The clients of CSD Participants would be allowed to include the holders of Beneficial Interests or their custodians.
 - 4.4.2.5. the clients of CSD Participants, as the holders of Beneficial Interests or as custodians for such holders, would be entitled to exercise their rights in respect of the Notes held by them in the CSD only through their CSD Participants. Branches or agents of CSD Participants in Namibia would be entitled to hold Notes through such CSD Participants.
 - 4.4.2.6. and in relation to each person who would be shown in the records of the CSD or the relevant CSD Participant, as the case may be, as the holder of a Beneficial Interest in a particular aggregate

Outstanding Nominal Amount of Notes, a certificate or other document issued by the CSD or the relevant CSD Participant, as the case may be, as to the aggregate Outstanding Nominal Amount of Notes standing to the account of such person would be *prima facie* proof of such Beneficial Interest. The CSD's Nominee (as the registered Noteholder of such Notes named in the Register) would be treated by the Issuer, Paying Agent and Transfer Agent and the relevant CSD Participant as the holder of that aggregate Outstanding Nominal Amount of such Notes for all purposes.

- 4.4.2.7. title to Beneficial Interests that would be held by the CSD Participants directly through the CSD would pass on the transfer thereof by electronic book entry in the central securities accounts maintained by the CSD for such CSD Participants. Title to Beneficial Interests held by clients of CSD Participants indirectly through such CSD Participants would pass on transfer thereof by electronic book entry in the central securities accounts maintained by such CSD Participants for such clients. Beneficial Interests would be transferred only in accordance with the Applicable Procedures. Holders of Beneficial Interests would vote in accordance with the Applicable Procedures.
- 4.4.2.8. the holder of a Beneficial Interest would be entitled to exchange such Beneficial Interest for Notes represented by an Individual Certificate in accordance with Condition 6.14 (*Transfer, Exchange and Replacement of Notes*).

5. PRO FORMA APPLICABLE PRICING SUPPLEMENT

Set out below is the Pricing Supplement form to be completed for each Tranche of Notes issued under the Programme:



Paratus Namibia Holdings Limited

(Incorporated with limited liability under Registration Number: 2017/0558 in the Republic of Namibia)

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] Under its N\$1,000,000,000 Domestic Medium Term Note Programme

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 18 May 2021 ("**Programme Memorandum**"), prepared by Paratus Namibia Holdings (Proprietary) Limited ("Issuer") in connection with the N\$ 1,000,000,000 Medium Term Note Programme, as amended and/or supplemented from time to time.

The Programme Memorandum was approved by the NSX on 16 April 2021.

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions set forth in the Programme Memorandum. This Pricing Supplement must be read in conjunction with such Programme Memorandum. To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Programme Memorandum, the provisions of this Pricing Supplement shall prevail.

PARTIES

Issuer	Paratus Namibia Holdings Limited
Dealer(s)	[]
Arranger	[]
NSX Debt Sponsor	[]
Calculation Agent	[]
Specified Office of the Calculation Agent	[]
Paying Agent	[]
Specified Office of Paying Agent	[]
Transfer Agent	[]
Specified Office of Transfer Agent	[]
Additional Financial Centre	[]

DESCRIPTION OF THE NOTES

Status of Notes	[Senior/Subordinated], [Secured/Unsecured],
Form of Notes	[Listed/Unlisted] [registered Notes issued in uncertificated form to be held by the CSD] [registered Notes issued in certificated form represented by one or more Individual Certificates]
Series Number	[]
Tranche Number	[]
Aggregate Nominal Amount a) Series b) Tranche	[]
Interest	[Interest-bearing/Non-interest-bearing]
Interest Payment Basis	[[Fixed Rate/Floating Rate/Zero Coupon/Index-Linked/Dual Currency/Partly Paid / / [Mixed Rate]/Other Notes]
Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	[Insert details including date for conversion]
Issue Date	[]
Specified Denomination	[]
Specified Currency	[]
Issue Price	[]
Interest Commencement Date	[]
Maturity Date	[]
Applicable Business Day Convention	[Floating Rate Business Day / Following Business Day / Modified Following Business Day / Preceding Business Day / other convention – insert details]
Final Redemption Amount	[]
Last Day to Register	[]
Books Closed Period(s)	The Register will be closed from [...] to [...] and from [...] to [...] (all dates inclusive) in each year until the Maturity Date
Default Rate	[]
Nominal Amount per Note	[]

PROVISIONS RELATING TO INTEREST (IF ANY PAYABLE)

FIXED RATE NOTES	[Applicable/Not Applicable]
Fixed Rate of Interest	[] percent per annum [payable [annually/semi-annually/quarterly] in arrear]
Fixed Interest Payment Date(s)	[] in each year up to and including the Maturity Date/other
Fixed Coupon Amount(s)	[] per [] in Nominal Amount
Initial Broken Amount	[]
Final Broken Amount	[]
Interest Rate Determination Date(s)	[] in each year
Day Count Fraction	[]
Any other terms relating to the particular method of calculating interest	[]
FLOATING RATE NOTES	[Applicable/Not Applicable]
Floating Interest Payment Date(s)	[]
(a) Interest Period(s)	[]
(b) Definition of Business Day	[]
(c) Minimum Rate of Interest	[] percent per annum
(d) Maximum Rate of Interest	[] percent per annum
(e) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision)	[]
Manner in which the Rate of Interest is to be determined	[ISDA Determination / Screen Rate Determination/other – insert details]
Margin	[...] basis points to be added to/subtracted from the relevant ISDA Rate / Reference Rate]
If ISDA Determination	
(a) Floating Rate	[]
(b) Floating Rate Option	[]
(c) Designated Maturity	[]
(d) Reset Date(s)	[]
(e) ISDA Definitions to apply	[]
If Screen Rate Determination:	
(a) Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated)	[]
(b) Interest Rate Determination Date(s)	[]
(c) Relevant Screen Page and Reference Code	[]
If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Rate Determination, insert basis for determining Rate of Interest/Margin/ Fallback provisions	[]

Calculation Agent responsible for calculating amount of principal and interest	[]
ZERO COUPON NOTES	[Applicable/Not Applicable]
(a) Implied Yield	[] percent [NACA] [NACM] [NACQ] [NACS] [other method of compounding]
(b) Reference Price	[] percent
(c) Any other formula or basis for determining amount(s) payable	[]
PARTLY PAID NOTES	[Applicable/Not Applicable]
(a) Amount of each payment comprising the Issue Price	[]
(b) Dates upon which each payment is to be made by Noteholder	[]
(c) Consequences (if any) of failure to make any such payment by Noteholder	[]
(d) Interest Rate to accrue on the first and subsequent instalments after the due date for payment of such instalments	[] percent per annum
MIXED RATE NOTES	[Applicable/Not Applicable]
Period(s) during which the Interest Rate for the Mixed Rate Notes will be (as applicable) that for:	
(a) Fixed Rate Notes	[]
(b) Floating Rate Notes	[]
(c) Index-Linked Notes	[]
(d) Dual Currency Notes	[]
(e) Other Notes	[]
The Interest Rate and other pertinent details are set out under the headings relating to the applicable forms of Notes	
INDEX-LINKED NOTES	[Applicable/Not Applicable]
(a) Type of Index-Linked Notes	[Indexed Interest Notes/Indexed Redemption Amount Notes]
(b) Index/Formula by reference to which Interest Rate / Interest Amount is to be determined	[]
(c) Manner in which the Interest Rate / Interest Amount is to be determined	[]
(d) Interest Period(s)	[]
(e) Interest Payment Date(s)	[]
(f) Provisions where calculation by reference to Index and/or Formula is impossible or impracticable	[]
(g) Definition of Business Day (if different from that set out in Condition 1 (Interpretation))	[]
(h) Minimum Rate of Interest	[] percent per annum
(i) Maximum Rate of Interest	[] percent per annum
(j) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision)	[]
DUAL CURRENCY NOTES	[Applicable/Not Applicable]

Type of Dual Currency Notes	[Dual Currency Interest/Dual Currency Redemption Amount] Notes
Rate of Exchange/method of calculating Rate of Exchange	[]
Provisions applicable where calculation by reference to Rate of Exchange is impossible or impracticable	[]
Person at whose option Specified Currency(ies) is/are payable	[]
EXCHANGEABLE NOTES	[Applicable/Not Applicable]
Mandatory Exchange applicable	[Yes/No]
Noteholders' Exchange Right applicable	[Yes/No]
Exchange Securities	[]
Manner of determining Exchange Price	[]
Exchange Period	[]
Other	[]
OTHER NOTES	[Applicable/Not Applicable]
If the Notes are not Partly Paid Notes, , Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Zero Coupon Notes, Index-Linked Notes, Dual Currency Notes or Exchangeable Notes or if the Notes are a combination of any of the foregoing, set out the relevant description and any additional Terms and Conditions relating to such Notes.	[]
REDEMPTION / MATURITY	
Redemption at the option of the Issuer:	[Yes/No]
If yes:	
(a) Optional Redemption Date(s)	[]
(b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s)	[]
(c) Minimum period of notice	[]
(d) Other terms applicable on redemption	
Redemption at the option of the Senior Noteholders:	[Yes/No]
If yes:	
(a) Optional Redemption Date(s)	[]
(b) Optional Redemption Amount(s)	[]
(c) Minimum period of notice	[]
(d) If redeemable in part: Minimum Redemption Amount(s) Higher Redemption Amount(s)	[]
(e) Other terms applicable on redemption	[]
(f) Attach pro forma put notice(s)	
Redemption in the event of a Change of Control at the election of the Noteholders pursuant to any other terms applicable to a Change of Control	[Yes/No]
Redemption in the event of a failure to maintain NSX listing and/or Rating at the election of Noteholders	[Yes/No]

Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default (if required).	[Yes/No]
If no:	
(a) Amount payable; or	[]
(b) Method of calculation of amount payable	[]

GENERAL

Financial Exchange	[Bond Market of the NSX]/[Other Financial Exchange]
Additional selling restrictions	[]
ISIN	[]
Stock Code	[]
Stabilising manager	[]
Provisions relating to stabilisation	[]
Method of distribution	[Private Placement/Auction/Bookbuild]
Credit Rating assigned to the [Issuer]/[Programme]/[Notes]	[], assigned on [●] and due for renewal on [●]
Applicable Rating Agency	[]
Governing law (if the laws of Namibia are not applicable)	[]
Use of proceeds	[]
Other provisions	[Other Events of Default in addition to the Events of Default referred to in Condition 6.13 (Events of Default)] [Other covenants, provisions]

Responsibility:

The Issuer accepts full responsibility for the information contained in this Applicable Pricing Supplement and the Programme Memorandum except as otherwise stated herein. To the best of the knowledge and belief of the Issuer the information contained in this Applicable Pricing Supplement and the Programme Memorandum is in accordance with the facts and does not omit anything which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Applicable Pricing Supplement and the Programme Memorandum contains all information required by Applicable Law and the Rules and debt listing requirements of the NSX.

As at the date of this Applicable Pricing Supplement, the Issuer confirms that the authorised Programme Amount of N\$ 1,000,000,000 has not been exceeded.

Application [is hereby]/[will not be] made to list this issue of Notes [on ● ●●●●].

SIGNED at _____ on this _____ day of _____ 2021

For and on behalf of

PARATUS NAMIBIA HOLDINGS LIMITED

Name:

Capacity: Director

Who warrants his/her authority hereto

Name:

Capacity: Director

Who warrants his/her authority hereto

6. TERMS AND CONDITIONS

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

Before the Issuer issues any Tranche of listed Notes, the Issuer shall complete, sign and deliver to the NSX or such other Financial Exchange(s) and the CSD, as applicable, a pricing supplement based on the pro forma Applicable Pricing Supplement included in the Programme Memorandum setting out details of such Notes. The Issuer may determine that particular Notes will not be listed on the NSX or such other Financial Exchange(s) and, in that case, no Applicable Pricing Supplement will be delivered to the NSX or such other or further Financial Exchange(s).

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

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

6.1. **INTERPRETATION**

In these Terms and Conditions, unless inconsistent with the context or separately defined in the Applicable Pricing Supplement, the following expressions shall have the following meanings:

- | | | |
|--------|--------------------------------------|---|
| 6.1.1. | Affiliate | in relation to any Person, a Subsidiary of that Person or a Holding Company of that Person or any other Subsidiary of that Holding Company; |
| 6.1.2. | Applicable Laws | in relation to any Person, all and any statutes and subordinate legislation and common law, regulations, ordinances and by-laws, directives, codes of practice, circulars, guidance notices, judgments and decisions of any competent authority, or any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation and other similar provisions, from time to time, compliance with which is mandatory for that Person; |
| 6.1.3. | Applicable Pricing Supplement | in relation to a Tranche of Notes, the pricing supplement completed and signed by the Issuer in relation to that Tranche of Notes, setting out the additional and/or other terms and conditions as are applicable to that Tranche of Notes, based upon the pro forma pricing supplement which is set out in the section of the Programme Memorandum headed "Pro Forma Applicable Pricing Supplement"; |
| 6.1.4. | Applicable Procedures | in respect of Notes listed on the NSX, the rules, operating procedures and listing requirements of the NSX; or

in respect of Notes issued and listed on any other Financial Exchange(s), the rules, operating procedures and listing requirements of such other Financial Exchange(s); |
| 6.1.5. | Beneficial Interest | in relation to a Tranche of Notes, the beneficial interest as co-owner of all of the Notes in that Tranche, the nominal value of which beneficial interest, in relation to any number of Notes in that Tranche, is determined by reference to the proportion that the aggregate Outstanding Nominal Amount of such number of Notes bears to the aggregate Outstanding Nominal Amount of all of the Notes in that Tranche; |
| 6.1.6. | Books Closed Period | in relation to a Tranche of Notes, the period, as specified in the Applicable Pricing Supplement, commencing after the Last Day to Register, during which transfers of the Notes will not be registered, or such shorter period as the Issuer may decide in order to determine those Noteholders entitled to receive principal and/or interest; |
| 6.1.7. | Business Day | in respect of Notes, a day (other than a Saturday or Sunday or public holiday within the meaning of the Namibian Public Holidays Act, 1990 or the South African Public Holidays Act 36 of 1994) on which commercial banks settle NAD payments in Windhoek,

save that if the Specified Currency is not NAD, then "Business Day" shall mean a day (other than a Saturday or Sunday) which is a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the Specified Currency in each Additional Financial Centre (if any), save further that if the Applicable Pricing Supplement so provides, "Business Day" shall include a Saturday; |

6.1.8.	Calculation Agent	Cirrus Securities (Pty) Ltd (member of the NSX), unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Calculation Agent in respect of that Tranche or Series of Notes, as indicated in the Applicable Pricing Supplement;
6.1.9.	Class of Noteholders	the holders of a Series of Notes or, where appropriate, the holders of different Series of Notes;
6.1.10.	Common Monetary Area	a monetary union comprising of Namibia, the Republic of South Africa, the Kingdom of Lesotho and the Kingdom of Eswatini;
6.1.11.	Companies Act	the Companies Act, 2004;
6.1.12.	CSD	<p>The entity that may be licensed or otherwise authorised as a central securities depository in terms of any law of Namibia or terms of the rules of any regulatory authority, which may be established, at any time after the Programme Date, or any additional or alternate depository approved by the issuer.</p> <p>The CSD would be the operator of an electronic clearing system and be appointed by the NSX to match, clear and facilitate the settlement of all transactions concluded on the NSX.</p>
6.1.13.	CSD Nominee	In relation to a Tranche of Notes which is held in the CSD, a wholly owned subsidiary of the CSD approved by the applicable regulatory authority in terms of any applicable laws of Namibia or the rules of any regulatory authority, as applicable, which may come into existence at any time after the Programme Date, and any reference to "CSD Nominee" shall, whenever the context permits, be deemed to include any successor nominee;
6.1.14.	CSD Participant	in relation to a Tranche of Notes which is held in the CSD, a person accepted by the CSD as a participant in terms of any applicable laws of Namibia or the rules of any regulatory authority, as applicable, which may come into existence at any time after the Programme Date;
6.1.15.	Day	a Gregorian calendar day unless qualified by the word "Business";
6.1.16.	Day Count Fraction	<p>in relation to a Tranche of Notes (where applicable) and the calculation of an amount for any period of time (the Calculation Period), the Day count fraction specified as such in the Terms and Conditions or the Applicable Pricing Supplement and:</p> <p>if Actual/365 (Fixed) or Act/365 (Fixed) or A/365(Fixed) or A/365F is so specified, means the actual number of Days in the Calculation Period in respect of which payment is being made divided by 365;</p> <p>if Actual/Actual (ICMA) or Act/Act (ICMA) is so specified, means:</p> <p>where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of Days in the Calculation Period divided by the product of (1) the actual number of Days in such Regular Period and (2) the number of Regular Periods in any year; and</p> <p>where the calculation Period is longer than one Regular Period, the sum of:</p> <p>the actual number of Days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of Days in such Regular Period and (2) the number of Regular Periods in any year; and</p> <p>the actual number of Days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of Days in such Regular Period and (2) the number of Regular Periods normally ending in any year;</p> <p>if Actual/Actual, Actual/Actual (ISDA), Act/Act or Act/Act (ISDA) is so specified, means the actual number of Days in the Calculation Period in respect of which payment is being made divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of Days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of Days in that portion of the Calculation Period falling in a non-leap year divided by 365);</p> <p>if Actual/360, Act/360 or A/360 is so specified, means the actual number of Days in the Calculation Period in respect of which payment is being made divided by 360;</p> <p>if 30/360, 360/360 or Bond Basis is so specified, means the number of Days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:</p>

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

where:

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

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

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

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

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

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

if 30E/360 or Eurobond Basis is so specified, means the number of Days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

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

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

where:

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

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

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

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

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

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

6.1.17.	Dealers	Cirrus Securities and/or any other entity appointed as Dealer by the Issuer, which appointment may be for a specific issue or on an ongoing basis;
6.1.18.	Default Rate	in relation to a Tranche of Notes, the default rate referred to in Condition 6.8.5 (<i>Accrual of Interest</i>) and specified as such in the Applicable Pricing Supplement;
6.1.19.	Dual Currency Notes	Notes which pay interest and/or principal in a base currency and in a non-base currency, as indicated in the Applicable Pricing Supplement;
6.1.20.	Early Redemption Amount	in relation to a Tranche of Notes, the amount, as set out in Condition 6.10.5 (<i>Early Redemption Amounts</i>), at which the Notes will be redeemed by the Issuer, pursuant to the provisions of Conditions), 6.10.2 (<i>Redemption at the option of the Issuer</i>), 6.10.3 (<i>Redemption at the option of the Senior Noteholders</i>), and/or Condition 6.13 (<i>Events of Default</i>);
6.1.21.	Encumbrances	any mortgage, pledge, lien, hypothecation, assignment, cession <i>in securitatem debiti</i> , deposit by way of security or any other agreement or arrangement (whether conditional or not and whether relating to existing or to future assets), having the effect of providing a security interest to a creditor or any agreement or arrangement to give any form of a secured claim to a creditor but excluding statutory preferences, any security interest arising by operation of law and for the avoidance of doubt, any guarantee;
6.1.22.	Event of Default	in relation to a Series of Notes, any of the events described in Condition 6.13 (<i>Events of Default</i>);
6.1.23.	Exchangeable Notes	Notes which may be redeemed by the Issuer in the manner indicated in the Applicable Pricing Supplement by the delivery to the Noteholders of cash or of so many of the Exchange Securities as is determined in accordance with the Applicable Pricing Supplement;
6.1.24.	Exchange Period	in relation to a Tranche of Exchangeable Notes, in respect of Exchangeable Notes to which the Noteholders' Exchange Right applies (as indicated in the Applicable Pricing Supplement), the period indicated in the Applicable Pricing Supplement during which such right may be exercised;
6.1.25.	Exchange Price	in relation to a Tranche of Exchangeable Notes, the amount determined in accordance with the manner described in the Applicable Pricing Supplement, according to which the number of Exchange Securities which may be delivered in redemption of an Exchangeable Note will be determined;
6.1.26.	Exchange Securities	in relation to a Tranche of Exchangeable Notes, the securities indicated in the Applicable Pricing Supplement which may be delivered by the Issuer in redemption of the Exchangeable Notes to the value of the Exchange Price;
6.1.27.	Extraordinary Resolution	a resolution passed at a meeting (duly convened) of the Noteholders, as contemplated in Condition 6.18 (<i>Meetings of Noteholders</i>) or, as the case may be, by a majority consisting of not less than 75% (seventy five percent) of the Persons voting at such meeting upon a show of hands or if a poll be duly demanded then by a majority consisting of not less than 75% (seventy five percent) of the votes given on such poll;
6.1.28.	Final Broken Amount	in relation to a Tranche of Fixed Rate Notes, the final broken amount specified as such in the Applicable Pricing Supplement;
6.1.29.	Final Redemption Amount	in relation to a Tranche of Notes, the amount of principal specified in the Applicable Pricing Supplement payable in respect of such Tranche of Notes upon the Maturity Date;
6.1.30.	Financial Exchange	the NSX and/or such other Financial Exchange(s) as may be determined by the Issuer and the relevant Dealer(s), subject to Applicable Laws, and upon which the Notes are listed as specified in the Applicable Pricing Supplement;
6.1.31.	Fixed Coupon Amount	in relation to a Tranche of Fixed Rate Notes (where applicable), the amount specified as such in the Applicable Pricing Supplement;

6.1.32.	Fixed Interest Payment Date	in relation to a Tranche of Fixed Rate Notes, the date(s) specified as such in the Applicable Pricing Supplement;
6.1.33.	Fixed Interest Period	in relation to a Tranche of Fixed Rate Notes, the period from (and including) a Fixed Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Fixed Interest Payment Date or as otherwise indicated in the Applicable Pricing Supplement;
6.1.34.	Fixed Rate Notes	Notes which will bear interest at the Fixed Rate of Interest, as indicated in the Applicable Pricing Supplement;
6.1.35.	Fixed Rate of Interest	in relation to a Tranche of Fixed Rate Notes, the fixed rate of interest specified as such in the Applicable Pricing Supplement;
6.1.36.	Floating Rate Notes	Notes which will bear interest at a Floating Rate as indicated in the Applicable Pricing Supplement and more fully described in Condition 6.8.2 (<i>Floating Rate Notes and Indexed Interest Notes</i>);
6.1.37.	Floating Rate	in relation to a Tranche of Floating Rate Notes, the floating rate of interest specified as such in the Applicable Pricing Supplement;
6.1.38.	Force Majeure	means any act of God, acts or decrees of governmental or military bodies, fire, casualty, flood, earthquake, war, strike, lockout, epidemic, destruction of Property, riot, insurrection, or any other cause beyond the reasonable control of either Party which prevents any person or entity from performing any of its obligations under this Programme Memorandum;
6.1.39.	Guarantee Fund	means the NSX guarantee fund created in terms of the Stock Exchanges Control Act, for investor protection;
6.1.40.	Higher Redemption Amount	in relation to a Tranche of Notes, the higher redemption amount specified as such in the Applicable Pricing Supplement;
6.1.41.	Holding Company	in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary;
6.1.42.	ICMA	International Capital Market Association;
6.1.43.	IFRS	the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (as amended, supplemented or re-issued from time to time);
6.1.44.	Implied Yield	in relation to a Tranche of Zero Coupon Notes, the yield accruing on the Issue Price of such Notes, as specified in the Applicable Pricing Supplement;
6.1.45.	Indexed Interest Notes	Notes in respect of which the Interest Amount is calculated by reference to an index and/or a formula as indicated in the Applicable Pricing Supplement;
6.1.46.	Index-Linked Notes	Indexed Interest Notes and/or Indexed Redemption Amount Notes, as applicable and as indicated in the Applicable Pricing Supplement;
6.1.47.	Indexed Redemption Amount Notes	Notes in respect of which the Final Redemption Amount is calculated by reference to an index and/or a formula as may be indicated in the Applicable Pricing Supplement;
6.1.48.	Individual Certificate	a Note in the definitive registered form of a single certificate and being a certificate exchanged for Beneficial Interest in accordance with Condition 6.14 (<i>Transfer, Exchange and Replacement of Notes</i>) and any further certificate issued in consequence of a transfer thereof;
6.1.49.	Initial Broken Amount	in relation to a Tranche of Fixed Rate Notes, the initial broken amount specified as such in the Applicable Pricing Supplement;
6.1.50.	Interest Amount	in relation to a Tranche of Notes, the amount of interest payable in respect of the Nominal Amount of Notes, other than Zero Coupon Notes, as determined by the Calculation Agent in accordance with Condition 6.8 (<i>Interest</i>);
6.1.51.	Interest Commencement Date	in relation to a Tranche of Notes (where applicable) the first date from which interest on the Notes, other than Zero Coupon Notes, will accrue, as specified in the Applicable Pricing Supplement;
6.1.52.	Interest Determination Date	in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;

6.1.53.	Interest Payment Date	in relation to a Tranche of Notes, the Interest Payment Date(s) specified in the Applicable Pricing Supplement or, if no express Interest Payment Date(s) is/are specified in the Applicable Pricing Supplement, the last day of the Interest Period commencing on the preceding Interest Payment Date, or, in the case of the first Interest Payment Date, commencing on the Interest Commencement Date;
6.1.54.	Interest Period	in relation to a Tranche of Notes, each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;
6.1.55.	Interest Rate and Rate of Interest	in relation to a Tranche of Notes, the rate or rates of interest applicable to Notes other than Zero Coupon Notes as indicated in the Applicable Pricing Supplement;
6.1.56.	ISDA	the International Swaps and Derivatives Association Inc.;
6.1.57.	ISDA Definitions	the 2021 ISDA Interest Rate Derivatives Definitions as published and updated from time to time by the International Swaps and Derivatives Association or its successor;
6.1.58.	ISIN	the International Securities Identification Number as specified in the Applicable Pricing Supplement;
6.1.59.	Issue Date	in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
6.1.60.	Issue Price	in relation to a Tranche of Notes, the price specified as such in the Applicable Pricing Supplement;
6.1.61.	Issuer	Paratus Namibia Holdings Limited, a public company with limited liability duly incorporated in accordance with the company laws of the Republic of Namibia;
6.1.62.	Last Day to Register	with respect to a particular Tranche of Notes (as specified in the Applicable Pricing Supplement), the last date or dates preceding a Payment Day on which the Transfer Agent will accept Transfer Forms and record the transfer of Notes may be recorded in the Register for that particular Tranche of Notes and whereafter the Register is closed for further transfers or entries until the Payment Day;
6.1.63.	Mandatory Exchange	in relation to a Tranche of Exchangeable Notes, the mandatory exchange specified as such in the Applicable Pricing Supplement;
6.1.64.	Margin	in relation to a Tranche of Notes (where applicable), the margin specified as such in the Applicable Pricing Supplement;
6.1.65.	Material Subsidiary	any Subsidiary (i) of which the Issuer owns more than 50% of the ordinary shares and (ii) which represents at least 0.5% of the total assets of the Issuer as published in the Issuer's latest audited financial statements;
6.1.66.	Maturity Date	in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
6.1.67.	Minimum Redemption Amount	in relation to a Tranche of Notes, the minimum redemption amount specified as such in the Applicable Pricing Supplement;
6.1.68.	Mixed Rate Notes	Notes which will bear interest over respective periods at differing Interest Rates applicable to any combination of Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Index-Linked Notes or Other Notes, each as indicated in the Applicable Pricing Supplement and as more fully described in Condition 6.8.4 (<i>Mixed Rate Notes</i>);
6.1.69.	NACA	nominal annual compounded annually;
6.1.70.	NACM	nominal annual compounded monthly;
6.1.71.	NACQ	nominal annual compounded quarterly;
6.1.72.	NACS	nominal annual compounded semi-annually;
6.1.73.	NAD	the lawful currency of Namibia, being the Namibia Dollar, or any successor currency;
6.1.74.	Namibia	the Republic of Namibia;
6.1.75.	Namibian Exchange Control Regulations	the Namibian Exchange Control Regulations, 1961 promulgated pursuant to the Namibia Currency and Exchange Act, 1933;
6.1.76.	Namibian Income Tax Act or Income Tax Act	the Namibian Income Tax Act, 1981;

6.1.77.	NENS	the Stock Exchange News Service, the news service operated by the NSX;
6.1.78.	Nominal Amount	in relation to any Note, the total amount, excluding interest and any adjustments on account of any formula, owing by the Issuer under the Note as determined on Issue Date;
6.1.79.	Noteholders	the registered holders of the Notes as recorded in the Register;
6.1.80.	Noteholders' Exchange Right	in relation to a Tranche of Exchangeable Notes, if indicated as applicable in the Applicable Pricing Supplement, the right of Noteholders of Exchangeable Notes to elect to receive delivery of the Exchange Securities <i>in lieu</i> of cash from the Issuer upon redemption of such Notes;
6.1.81.	Notes	unsecured, senior or subordinated notes, listed or unlisted issued under the Programme in Namibia;
6.1.82.	Outstanding	<p>in relation to the Notes, all the Notes issued under the Programme (including all Notes issued under the Programme pursuant to the Previous Programme Memorandum) other than:</p> <ul style="list-style-type: none"> (a) those which have been redeemed in full; (b) those in respect of which the date for redemption in accordance with the Terms and Conditions has occurred and the redemption moneys wherefor (including all interest (if any) accrued thereon to the date for such redemption and any interest (if any) payable under the Terms and Conditions after such date) remain available for payment against presentation of Individual Certificates (if any); (c) those which have been purchased and cancelled as provided in Condition 6.10 (<i>Redemption and Purchase</i>); (d) those which have become prescribed under Condition 6.12 (<i>Prescription</i>); (e) those represented by mutilated or defaced Individual Certificates which have been surrendered in exchange for replacement Individual Certificates pursuant to Condition 6.14 (<i>Transfer, Exchange and Replacement of Notes</i>); (f) (for the purpose only of determining how many Notes are Outstanding and without prejudice to their status for any other purpose) those Notes represented by Individual Certificates alleged to have been lost, stolen or destroyed and in respect of which replacement Individual Certificates have been issued pursuant to Condition 6.14 (<i>Transfer, Exchange and Replacement of Notes</i>) provided that for each of the following purposes: <ul style="list-style-type: none"> ▪ the right to attend and vote at any meeting of the Noteholders; and ▪ the determination of how many and which Notes are for the time being Outstanding for the purposes of Condition 6.19 (<i>Modification</i>) and 6.18 (<i>Meetings of Noteholders</i>), <p>all Notes (if any) which are for the time being held by the Issuer (subject to any Applicable Law) or by any person for the benefit of the Issuer and not cancelled shall (unless and until ceasing to be so held) be deemed not to be Outstanding;</p>
6.1.83.	Outstanding Nominal Amount	in relation to each Note in a Tranche of Notes, the Nominal Amount of that Note less (on each occasion on which that Note is partially redeemed) that portion of the Nominal Amount of that Note which has been partially redeemed, and in relation to the Programme at any point in time, the aggregate outstanding Nominal Amount of all the Notes in issue under the Programme at that time;
6.1.84.	Optional Redemption Amount	in relation to a Tranche of Notes, the optional redemption amount specified as such in the Applicable Pricing Supplement;
6.1.85.	Partly Paid Notes	Notes which are issued with the Issue Price partly paid and which Issue Price is paid up fully by the Noteholder in instalments as indicated in the Applicable Pricing Supplement;
6.1.86.	Paying Agent	the Issuer, unless the Issuer elects to appoint another entity as Paying Agent, in which event that other entity shall act as a Paying Agent in respect of that Tranche or Series of Notes, as indicated in the Applicable Pricing Supplement;
6.1.87.	Payment Day	any day which is a Business Day and upon which a payment is due by the Issuer in respect of the Notes;
6.1.88.	Permitted Encumbrance	(a) any Encumbrance existing as at the Programme Date; or

- (b) any Encumbrance with regard to receivables of the Issuer or a Material Subsidiary which is created pursuant to any securitisation scheme, asset-backed financing or like arrangement in accordance with normal market practice and whereby the Indebtedness is limited to the value of such receivable; or
- (c) any Encumbrance created over any asset to be acquired, purchased, developed or constructed by the Issuer after the Programme Date (including any Encumbrance over shares or other ownership interests in, or securities of, any Person, acquired, subscribed for by the Issuer after the Programme Date, or the assets of such company or Person), if such Encumbrance was created for the purpose of financing or refinancing that asset by the Issuer, provided that the Indebtedness so secured shall not exceed the bona fide arm's length market value (on or about the date of the creation of such Encumbrance) of that asset or the cost of the acquisition, purchase, development or construction of that asset by the Issuer (including all interest and other finance charges, adjustments due to changes in circumstances and other charges reasonably incidental to such cost, whether contingent or otherwise) and where such market value and such cost both apply, the higher of the two; or
- (d) any Encumbrance over deposit accounts securing a loan equal to the amounts standing to the credit of such deposit accounts, including any cash management system; or
- (e) in addition to any Encumbrance referred to in (a) to (e) above, any Encumbrance securing in aggregate not more than an amount equal to 0.5% of the total assets of the Issuer as published in the latest audited financial statements of the Issuer at any time;

6.1.89.	Person	shall be construed as a reference to any Person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;
6.1.90.	Programme	Paratus Namibia Holdings Limited N\$ 1,000,000,000 Domestic Medium Term Note Programme under which the Issuer may from time to time issue Notes;
6.1.91.	Programme Amount	the maximum aggregate outstanding Nominal Amount of all of the Notes that may be issued under the Programme at any one point in time being is the equivalent N\$1,000,000,000 or such increased amount as is determined by the Issuer from time to time, subject to the Applicable Procedures, Applicable Laws and the Programme Agreement, as set out in the section of this Programme Memorandum headed "General Description of the Programme";
6.1.92.	Programme Date	the date of this Programme Memorandum being [•] 2021;
6.1.93.	Rating	in relation to the Issuer and/or the Programme and/or a Tranche of Notes (where applicable), as the case may be, the rating of the Issuer and/or the Programme and/or the Tranche of Notes, as the case may be, by the Rating Agency, specified in the Applicable Pricing Supplement;
6.1.94.	Rating Agency	Global Credit Rating Co. Proprietary Limited (GCR), Standard & Poor's Ratings Services (S&P), Moody's Investors Service Limited (Moody's), as the case may be, and their successors or any other rating agency of equivalent international standing, as the case may be, and as specified in the Applicable Pricing Supplement (if applicable) and/or notified to Noteholders pursuant to Condition 6.17 (<i>Notices</i>);
6.1.95.	Redemption Date	in relation to a Tranche of Notes, the date upon which the Notes are redeemed by the Issuer, whether by way of redemption or maturity in terms of Condition 6.10.1 (<i>Redemption at Maturity</i>);
6.1.96.	Reference Banks	the major commercial banks in the Namibia inter-bank market selected by the Calculation Agent;
6.1.97.	Reference Price	in relation to a Tranche of Zero Coupon Notes (where applicable), the price specified as such in the Applicable Pricing Supplement;
6.1.98.	Reference Rate	in relation to a Tranche of Floating Rate Notes (where applicable), the rate specified as such in the Applicable Pricing Supplement;
6.1.99.	Regular Period	in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

in the case Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "Regular Date" means the day and the month (but not the year) on which any Interest Payment Date falls; and

in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "Regular Date" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

6.1.100.	Relevant Date	in relation to a Tranche of Notes, the date on which such payment first becomes due, except that, in relation to monies payable to the CSD in accordance with these Terms and Conditions, it means the first date on which (i) the full amount of such monies have been received by the CSD, (ii) such monies are available for payment to the holders of Beneficial Interests and (iii) notice to that effect has been duly given to such holders in accordance with the Applicable Procedures;
6.1.101.	Relevant Debt	any present or future indebtedness of the Issuer in the form of, or represented by any bond, note or debenture issued by the Issuer and listed on a financial or stock exchange but excluding: any indebtedness incurred pursuant to any securitisation scheme or like arrangement; or any option or warrant in respect of any share or index.
6.1.102.	Relevant Screen Page	in relation to a Tranche of Floating Rate Notes (where applicable), the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the Applicable Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;
6.1.103.	Register	the register of Noteholders in respect of the Notes, as the case may be, maintained by the relevant Transfer Agent in terms of Condition 6.15 (<i>Register</i>), including any uncertificated securities register, as the case may be;
6.1.104.	Representative	a Person duly authorised to act on behalf of a Noteholder, the relevant Transfer Agent or the Paying Agent, as the case may be, who may be regarded by the Issuer (acting in good faith) as being duly authorised based upon the tacit or express representation thereof by such Representative, in the absence of express notice to the contrary from such Noteholder, the relevant Transfer Agent and the Paying Agent;
6.1.105.	Senior Noteholders	the Noteholders of Senior Notes;
6.1.106.	Senior Notes	Notes issued with the status and characteristics set out in Condition 6.5 (<i>Status of Senior Notes</i>), as indicated in the Applicable Pricing Supplement;
6.1.107.	Series	a Tranche of Notes together with any further Tranche or Tranches of Notes which are: (a) expressed to be consolidated and form a single series; and (b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices;
6.1.108.	Specified Currency	in relation to each Note in a Tranche of Notes, subject to all Applicable Laws, the currency specified in the Applicable Pricing Supplement;
6.1.109.	Specified Denomination	in relation to each Note in a Tranche of Notes, the amount specified as such in the Applicable Pricing Supplement;
6.1.110.	Specified Office	the office of the Transfer Agent, the Paying Agent and/or the Calculation Agent as specified in the Applicable Pricing Supplement;
6.1.111.	Stock Exchanges Control Act	means the Stock Exchanges Control Act, 1985;
6.1.112.	Subordinated Indebtedness	in the event of the dissolution of the Issuer or if the Issuer is wound up or placed in liquidation, or is subject to judicial management proceedings (if applicable), any indebtedness of the Issuer, including any guarantee by the Issuer, under which the right of payment of the person(s) entitled thereto is, or is expressed to be, or is required by any

		present or future agreement of the Issuer to be, subordinated to the rights of all unsubordinated creditors of the Issuer;
6.1.113.	Subordinated Notes	Notes issued with the status and characteristics set out in Condition 6.6 (<i>Status and Characteristics of Subordinated Notes</i>), as indicated in the Applicable Pricing Supplement;
6.1.114.	Subsidiary	a subsidiary company as defined in section 1(3) of the Companies Act;
6.1.115.	Sub-unit	with respect to any currency, the lowest amount of such currency that is available as legal tender in the country of such currency;
6.1.116.	Terms and Conditions	the terms and conditions incorporated in this section headed “Terms and Conditions of the Notes” and in accordance with which the Notes will be issued;
6.1.117.	Tranche	in relation to any particular Series, all Notes which are identical in all respects (including as to listing);
6.1.118.	Transfer Agent	Transfer Secretaries (Proprietary) Limited, or such other entity appointed by the Issuer as the relevant Transfer Agent in which event that other entity shall act as a Transfer Agent, as specified in the Applicable Pricing Supplement;
6.1.119.	Transfer Form	the written form for the transfer of a Note, in the form approved by the relevant Transfer Agent, and signed by the transferor and transferee;
6.1.120.	Wholly Owned Subsidiary	a wholly owned subsidiary as defined in Section 1(7) of the Companies Act;
6.1.121.	WIBAR	Windhoek Interbank Agreed Rate;
6.1.122.	ZAR	the lawful currency of South Africa, being South African Rand, or any successor currency;
6.1.123.	ZAR-JIBAR-SAFEX	in respect of the Notes, the mid-market rate for deposits in ZAR for a period of the Designated Maturity (as indicated in the Applicable Pricing Supplement) that appears on the Reuters Screen SAFEX Page as at 11h00 (Windhoek time, as the case may be) on the relevant date; and
6.1.124.	Zero Coupon Notes	Notes which will be offered and sold at a discount to their Nominal Amount or at par and will not bear interest other than in the case of late payment, as indicated in the Applicable Pricing Supplement.

6.2. **ISSUE**

- 6.2.1. The Issuer may, at any time and from time to time (without the consent of any Noteholder) issue one or more Tranche(s) of Notes pursuant to the Programme, provided that the aggregate Outstanding Nominal Amount of all of the Notes issued under the Programme from time to time does not exceed the Programme Amount.
- 6.2.2. Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the applicable Terms and Conditions of a Tranche of Notes which are the Terms and Conditions, as revoked, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement relating to that Tranche of Notes.
- 6.2.3. Each Note, may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index-Linked Note, a Dual Currency Note, a Mixed Rate Note, or such combination of any of the foregoing or such other type of Note as may be determined by the Issuer and specified in the relevant Applicable Pricing Supplement.
- 6.2.4. All payments in relation to the Notes will be made in the Specified Currency. Each Note will be issued in the Specified Denomination.
- 6.2.5. The Terms and Conditions of a Tranche of Notes are incorporated by reference into the Individual Certificate(s) (if any) representing the Notes in that Tranche. The Applicable Pricing Supplement relating to a Tranche of Notes issued in certificated form will be attached to the Individual Certificate(s) representing the Notes in that Tranche.

6.3. **FORM AND DENOMINATION**

6.3.1. **General**

- 6.3.1.1. Tranche of Notes may be issued in the form of listed or unlisted registered Notes, as specified in the Applicable Pricing Supplement.
- 6.3.1.2. A Tranche of Notes may be listed on the NSX or on such other Financial Exchange(s) as may be determined by the Issuer and the Dealer(s), subject to any Applicable Laws and Applicable Procedures.
- 6.3.1.3. If a Tranche of Notes which is listed on any exchange (other than the NSX) may, in terms of the rules of that exchange and Applicable Laws, be lodged in a central securities depository and/or issued in uncertificated form, the relevant procedures (including those relating to beneficial ownership interests in that Tranche of Notes) will be set out in the Applicable Pricing Supplement.
- 6.3.1.4. Unlisted Notes may also be issued under the Programme subject to the Applicable Laws. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed and, if so, the Financial Exchange on which such Tranche of Notes will be listed.

6.3.2. **Notes in certificated form**

Subject to Condition 6.3.3 below, each (i) Tranche of unlisted Notes and (ii) each Tranche of Notes which is listed on the NSX, will be issued in registered certificated form. The Notes in a Tranche of Notes issued in registered certificated form will be represented by one or more Individual Certificates.

6.3.3. **Notes in uncertificated form**

In the event of a CSD being established, and such CSD is established at any time after the Programme Date, then and in such an event, each Tranche of Notes which is listed on the NSX, may be issued in registered uncertificated form and will be held in the CSD. Each Tranche of Notes which would be held in the CSD will be issued, cleared and settled in accordance with the Applicable Procedures through the CSD electronic settlement system. Notes issued in uncertificated form would not be represented by any certificate or written instrument.

6.3.4. **Beneficial interest in Notes held in the CSD**

In the event of a CSD being established, and such CSD is established at any time after the Programme Date, then and in such an event all Notes held in the CSD would be held subject to the relevant laws or rules that may become applicable, and the Applicable Procedures. All amount to be paid and all rights to be exercised only by the CSD Nominee for the holders of Beneficial Interests in such Notes.

6.4. **TITLE**

6.4.1. **Notes issued in certificated form**

- 6.4.1.1. Each holder of Notes represented by an Individual Certificate will be named in the Register as the registered holder of such Notes.
- 6.4.1.2. Title to Notes represented by an Individual Certificate will pass upon registration of transfer in the Register in accordance with Condition 6.14 (*Transfer, Exchange and Replacement of Notes*).
- 6.4.1.3. The Issuer, the relevant Transfer Agent and the Paying Agent shall recognise a Noteholder as the sole and absolute owner of the Notes registered in that Noteholder's name in the Register (notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) and shall not be bound to enter any trust in the Register or to take notice of or to accede to the execution of any trust, express, implied or constructive, to which any Note may be subject.

6.4.2. Notes issued in uncertificated form

In the event of a CSD being established, and such CSD is established at any time after the Programme Date, then and in such an event, each Tranche of Notes which is listed on the NSX, may be issued in registered uncertificated form and will be held in the CSD.

6.4.3. Beneficial Interest in Notes held in the CSD

- 6.4.3.1. In the event of a CSD being established, and such CSD is established at any time after the Programme Date, then and in such an event, the following provisions shall apply:
 - 6.4.3.1.1. While a Tranche of Notes is held in its entirety in the CSD, the CSD's Nominee will be named in the Register as the sole Noteholder of the Notes in that Tranche.
 - 6.4.3.1.2. All amounts to be paid and all rights to be exercised in respect of the Notes held in CSD will be paid to and may be exercised only by the CSD's Nominee for the holders of the Beneficial Interests in such Notes.
 - 6.4.3.1.3. In relation to each person shown in the records of the CSD or relevant CSD Participant, as the case may be, as the holder of a Beneficial Interest in a particular aggregate Outstanding Nominal Amount of Notes, a certificate or other document issued by the CSD or the relevant CSD Participant, as the aggregate Outstanding Nominal Amount of such Notes standing to the account of such person shall be prima facie proof of such Beneficial Interest. The CSD's Nominee (as the registered holder of such Notes named in the Register) will be treated by the Issuer, the Paying Agent, each Transfer Agent and the relevant CSD Participant as the holder of that aggregate Outstanding Nominal Amount of such Notes for all purposes.
 - 6.4.3.1.4. Beneficial Interests which are held by CSD Participants will be held directly through the CSD and the CSD will hold such Beneficial Interest, on behalf of such CSD Participants, through the central securities account maintained by the CSD for such CSD Participants. Beneficial Interests which are held by CSD Participants will be held indirectly through the CSD Participants and such CSD Participants will hold such Beneficial Interests on behalf of such clients, through the securities accounts maintained by such CSD Participants of such clients. The clients of CSD Participants may include the holders of Beneficial Interests or their custodians.
 - 6.4.3.1.5. The clients of CSD Participants, as the holders of Beneficial Interests or as custodians for such holder, may exercise their rights in respect of the Notes held by them in the CSD or through their CSD Participants only. Branches or agents of CSD Participants in South Africa may hold Notes through such CSD Participants.
 - 6.4.3.1.6. Title to Beneficial Interests held by CSD Participants directly through the CSD will pass on transfer of electronic book entry in the central securities accounts maintained by the CSD for such CSD Participants, in accordance with the Applicable Procedures. Title to Beneficial Interests held by clients of CSD Participants indirectly through such CSD Participants will pass on transfer thereof by electronic book entry into the securities accounts maintained by such CSD Participants for such clients, in accordance with the Applicable Procedures.

6.5. STATUS OF SENIOR NOTES

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

6.6. **STATUS AND CHARACTERISTICS OF SUBORDINATED NOTES**

- 6.6.1. Subordinated Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and subject to Conditions 6.8.1 (*Fixed Rate Notes*), rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured and subordinated obligations of the Issuer, save for those which have been accorded preferential rights by law, or as otherwise set out in the Applicable Pricing Supplement.
- 6.6.2. Subject to Applicable Law, in the event of the dissolution of the Issuer or if the Issuer is placed into liquidation or wound-up, the claims of the persons entitled to payment of amounts due in respect of the Subordinated Notes, shall be subordinated to all other claims in respect of any other indebtedness of the Issuer except for other Subordinated Indebtedness, to the extent that, in any such event, and provided as aforesaid, no amount shall be eligible for setting-off or shall be payable to any or all of the persons entitled to payment of amounts due in respect of the Subordinated Notes in respect of the obligations of the Issuer thereunder until all other indebtedness of the Issuer which is admissible in any such dissolution, insolvency, winding-up or business rescue (or judicial management (if applicable)) (other than Subordinated Indebtedness) has been paid or discharged in full.

6.7. **NEGATIVE PLEDGE**

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

6.8. **INTEREST**

6.8.1. **Fixed Rate Notes**

- 6.8.1.1. Each Fixed Rate Note bears interest on its outstanding Nominal Amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date to (and excluding) the next Fixed Interest Payment Date as specified in the Applicable Pricing Supplement at the rate(s) per annum equal to the Fixed Rate of Interest so specified in the Applicable Pricing Supplement, payable in arrears on the Fixed Interest Payment Dates in each year up to and including the Maturity Date.
- 6.8.1.2. The first payment of interest will be made on the Fixed Interest Payment Date immediately following the Interest Commencement Date.
- 6.8.1.3. Except as provided in the Applicable Pricing Supplement, the amount of interest payable per Note on each Fixed Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount, provided that:
- (a) if an Initial Broken Amount is specified in the Applicable Pricing Supplement, then the first Interest Amount shall equal the Initial Broken Amount specified in the Applicable Pricing Supplement; and
 - (b) if a Final Broken Amount is specified in the Applicable Pricing Supplement, then the final Interest Amount shall equal the Final Broken Amount.
- 6.8.1.4. If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Fixed Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, as specified in the Applicable Pricing Supplement, and rounding the resultant figure to the nearest Sub-unit of the relevant Specified Currency, half such Sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

6.8.2. **Floating Rate Notes and Indexed Interest Notes**

6.8.2.1. Interest Payment Dates

Each Floating Rate Note and Indexed Interest Note bears interest on its outstanding Nominal Amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date

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

6.8.2.2. Rate of Interest

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

6.8.2.3. Minimum and/or Maximum Rate of Interest

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

6.8.2.4. Determination of Rate of Interest and Calculation of Interest Amount

The Calculation Agent, in the case of Floating Rate Notes and Indexed Interest Notes will usually pre-determine the Rate of Interest and calculate the Interest Amount payable in respect of each Floating Rate Note and Indexed Interest Note in respect of each Specified Denomination for the relevant Interest Period, and the Calculation Agent shall notify the Issuer of the Rate of Interest for the relevant Interest Period as soon as is practicable after calculating the same. Each Interest Amount shall be calculated by applying the Rate of Interest to the Specified Denomination, multiplying such sum by the applicable Day Count Fraction and rounding the resultant figure to the nearest Sub-unit of the relevant Specified Currency, half a Sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

6.8.2.5. Interest Determination, Screen Rate Determination including Fallback Provisions

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

- (a) the Floating Rate Option is as specified in the Applicable Pricing Supplement;
- (b) the Designated Maturity is the period specified in the Applicable Pricing Supplement; and
- (c) the relevant Reset Date is either (i) if the applicable Floating Rate Option is ZAR-JIBAR-SAFEX or WIBAR, as the case may be, the first day of the applicable Interest Period; or (ii) in any other case, as specified in the Applicable Pricing Supplement.

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

6.8.2.5.3. Where Screen Rate Determination is specified in the Applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject to the provisions below, be either:

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

(expressed as a percentage per annum) for the Reference Rate which appears on the Relevant Screen Page as at 11h00 (or as otherwise specified in the Applicable Pricing Supplement) (Windhoek time, as the case may be) on the Interest Rate Determination Date in question plus or minus (as indicated in the

Applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations; or

- (b) if the Relevant Screen Page is not available or if, in the case of (i) above, no such offered quotation appears or, in the case of (ii) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph, the Calculation Agent shall request the principal Windhoek office (as the case may be) of each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11h00 (Windhoek time, as the case may be) on the Interest Rate Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent; or
- (c) if the Rate of Interest cannot be determined by applying the provisions of (a) and (b) above, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks offered, at approximately 11h00 (Windhoek time, as the case may be) on the relevant Interest Rate Determination Date, deposits in an amount approximately equal to the Nominal Amount of the Notes of the relevant Series, for a period equal to that which would have been used for the Reference Rate to prime banks in Windhoek (as the case may be) inter-bank market plus or minus (as appropriate) the Margin (if any). If fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the Rate of Interest for the relevant Interest Period will be determined by the Calculation Agent as the arithmetic mean (rounded as provided above) of the rates for deposits in an amount approximately equal to the Nominal Amount of the Notes of the relevant Series, for a period equal to that which would have been used for the Reference Rate, quoted at approximately 11h00 (Windhoek time, as the case may be) on the relevant Interest Rate Determination Date, by the Reference Banks plus or minus (as appropriate) the Margin (if any). If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 8.2 (Floating Rate Notes and Indexed Interest Notes), the Rate of Interest shall be determined as at the last preceding Interest Rate Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

6.8.2.5.4. If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the Applicable Pricing Supplement as being other than ZAR-JIBAR-SAFEX or WIBAR, as the case may be, the Rate of Interest in respect of such Notes will be determined as provided in the Applicable Pricing Supplement.

6.8.2.6. Notification of Rate of Interest and Interest Amount

The Issuer will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the NSX, as the case may be, and the CSD and/or every other relevant exchange or authority as soon as possible after their determination but in any event no later than the 4th (fourth) Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to the NSX, as the case may be, the CSD and/or every other relevant exchange or authority and to the Noteholders in accordance with Condition 6.17 (*Notices*).

6.8.2.7. Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given,

expressed, made or obtained for the purposes of the provisions of this Condition 6.8.2 (*Floating Rate Notes and Indexed Interest Notes*), by the Calculation Agent shall (in the absence of wilful deceit, bad faith or manifest error or proven error) be binding on the Issuer and all Noteholders and in the absence as aforesaid no liability to the Issuer or the Noteholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6.8.3. Dual Currency Interest Notes

In the case of Dual Currency Interest Notes, the Interest Rate or Interest Amount payable shall be determined in the manner specified in the Applicable Pricing Supplement.

6.8.4. Mixed Rate Notes

The Interest Rate payable from time to time on Mixed Rate Notes shall be the Interest Rate payable on the form of interest-bearing Note (be it a Fixed Rate Note, Floating Rate Note, Index-Linked Note, Dual Currency Note or Other Note) specified for each respective period, each as specified in the Applicable Pricing Supplement. During each such applicable period, the Interest Rate on the Mixed Rate Notes shall be determined and fall due for payment on the basis that such Mixed Rate Notes are Fixed Rate Notes, Floating Rate Notes, Index-Linked Notes, Dual Currency Notes or Other Notes, as the case may be.

6.8.5. Accrual of Interest

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

6.8.6. Business Day Convention

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

- (a) the **Floating Rate Business Day Convention**, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event: (i) such Interest Payment Date (or other date) shall be brought forward to the first preceding Business Day and (ii) each subsequent Interest Payment Date (or other date) shall be the last Business Day in the month which falls the number of months, or other period specified as the Interest Period in the Applicable Pricing Supplement, after the preceding applicable Interest Payment Date (or other date) has occurred; or
- (b) the **Following Business Day Convention**, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day; or
- (c) the **Modified Following Business Day Convention**, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other such date) shall be brought forward to the first preceding Business Day; or
- (d) the **Preceding Business Day Convention**, such Interest Payment Date (or other date) shall be brought forward to the first preceding Business Day.

6.9. PAYMENTS

6.9.1. Only Noteholders reflected in the Register on the close of business on the Last Day to Register (as specified in the Applicable Pricing Supplement) shall be entitled to payments of interest and/or principal.

6.9.2. Method of Payment

6.9.2.1. Noteholders will not be entitled to any interest or other payment for any postponed payment if the Noteholder is late in surrendering its Individual Certificate (if required to do so) or if its Individual Certificate cannot be surrendered to the Transfer Agent.

6.9.2.2. Subject to the provisions set out below, payments of interest and principal to holders of Individual

Certificates will be made by electronic funds transfer and shall constitute a full and final discharge of the obligations of the Issuer in terms of such payments.

- 6.9.2.3. If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer in accordance with the preceding paragraph (due to a Force Majeure event), payment of interest or principal will be made by manual payment instruction to the bank, into the bank account of the Noteholder shown in the Register. All payments made by manual payment instruction shall be sent by e-mail to the relevant bank.
- 6.9.2.4. The Issuer shall not be held liable for failure by any Noteholder to timeously update its records with the Transfer Agent or keeping its bank accounts open and functioning.
- 6.9.2.5. In the case of joint Noteholders, payment by electronic funds transfer will be made to the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes.
- 6.9.2.6. Payments will be subject in all cases to any taxation or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 6.11 (*Taxation*).

6.9.3. **Surrender of Notes**

The Individual Certificate in respect of the Note to be redeemed shall be surrendered to the Paying Agent five (5) Business Days prior to the Redemption Date. Documents required to be presented and/or surrendered to the Paying Agent in accordance with these Terms and Conditions shall be so presented and/or surrendered at the office of the Paying Agent specified in the Applicable Pricing Supplement.

6.9.4. **Payment Day**

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

6.9.5. **Interpretation of principal and interest**

- 6.9.5.1. Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:
 - (a) any additional amounts which may be payable with respect to principal under Condition 6.11 (*Taxation*);
 - (b) the Final Redemption Amount of the Notes or the Early Redemption Amount of the Notes, as the case may be;
 - (c) the Optional Redemption Amount(s) (if any) of the Notes;
 - (d) in relation to Zero Coupon Notes, the amortised face amount (which shall be an amount equal to the sum of (i) the reference price; and (ii) the product of the accrual yield (as set out in the Applicable Pricing Supplement) (compounded semi-annually) being applied to the reference price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable, or such other amount as is provided for in the Applicable Pricing Supplement; and
 - (e) any premium and any other amounts which may be payable under or in respect of the Notes, but excluding for the avoidance of doubt, interest.
- 6.9.5.2. Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be deductible with respect to interest under Condition 6.11 (*Taxation*).

6.10. **REDEMPTION AND PURCHASE**

6.10.1. **Redemption at Maturity**

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

6.10.2. **Redemption at the option of the Issuer**

- 6.10.2.1. If the Issuer is specified in the Applicable Pricing Supplement as having an option to redeem, the Issuer may, having given not less than 30 (thirty) nor more than 60 (sixty) days' irrevocable notice to the Noteholders in accordance with Condition 6.17 (*Notices*) or unless otherwise specified in the Applicable Pricing Supplement, redeem all or some of the Notes (to which such Applicable Pricing Supplement relates) then Outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the Applicable Pricing Supplement, together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).
- 6.10.2.2. Any such redemption must be of a Nominal Amount equal to the Minimum Redemption Amount or a Higher Redemption Amount, both as indicated in the Applicable Pricing Supplement.
- 6.10.2.3. In the case of a partial redemption of Notes, which shall be in units and not in nominal value, the Notes to be redeemed ("**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by Individual Certificates, and in accordance with the Applicable Procedures, and in each case not more than 30 (thirty) days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**").
- 6.10.2.4. In the case of Redeemed Notes represented by Individual Certificates, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 6.17 (*Notices*) not less than 30 (thirty) days prior to the date fixed for redemption. The aggregate Nominal Amount of Redeemed Notes represented by Individual Certificates shall bear the same proportion to the aggregate Nominal Amount of all Redeemed Notes as the aggregate Nominal Amount of Individual Certificates outstanding bears to the aggregate Nominal Amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned Nominal Amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 6.17 (*Notices*) at least 10 (ten) days prior to the Selection Date.
- 6.10.2.5. Holders of Redeemed Notes shall surrender the Individual Certificates, if any, representing the Notes in accordance with the provisions of the notice given to them by the Issuer as contemplated above. Where only a portion of the Notes represented by such Individual Certificates are redeemed, the relevant Transfer Agent shall deliver new Individual Certificates to the CSD or such Noteholders, as the case may be, in respect of the balance of the Notes.

6.10.3. **Redemption at the option of the Senior Noteholders**

- 6.10.3.1. If Senior Noteholders are specified in the Applicable Pricing Supplement as having an option to request the redemption of certificated Notes, such Senior Noteholders may exercise such option in respect of such Notes by delivering to the relevant Transfer Agent, in accordance with Condition 6.17 (*Notices*), a duly executed notice (Put Notice), at least 30 (thirty) days but not more than 60 (sixty) days, prior to the Optional Redemption Date.
- 6.10.3.2. For redemption in part, the redemption amount specified in such Put Notice in respect of any such Note must be of a principal amount equal to or greater than the Minimum Redemption Amount or equal to or less than the Higher Redemption Amount, each as indicated in the Applicable Pricing Supplement.
- 6.10.3.3. The Issuer shall proceed to redeem the Notes in respect of which such option has been exercised in accordance with the terms of the Applicable Pricing Supplement, at the Optional Redemption Amount and on the Optional Redemption Date, together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).
- 6.10.3.4. In the event that the redeeming Noteholder is the holder of an Individual Certificate, then such Noteholder shall (attached to the Put Notice) deliver the Individual Certificate to the relevant Transfer Agent for cancellation. A holder of an Individual Certificate shall, in that holder's Put Notice, specify a bank account into which the redemption payment amount is to be paid, subject to providing reasonably required documentation in support thereof.
- 6.10.3.5. The delivery of Put Notices shall be required to take place during normal office hours to the Issuer and relevant Transfer Agent. Put Notices shall be available for inspection at the Specified Offices of the relevant Transfer Agent.
- 6.10.3.6. Any Put Notice given by a holder of any Senior Note pursuant to this paragraph shall be irrevocable except where after giving the notice but prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such Noteholder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Senior Note forthwith due and payable pursuant to Condition 6.13 (*Events of Default*).

6.10.3.7. The Issuer shall have no liability to remedy any defects in any Put Notice or bring any such defects to the attention of any Noteholder.

6.10.4. Redemption in the event of a failure to maintain NSX listing and/or Rating

6.10.4.1. The provisions of this Condition 6.10.4 (*Redemption in the event of a failure to maintain NSX listing and/or Rating*) shall apply if specified in the Applicable Pricing Supplement.

6.10.4.2. The Issuer shall, for as long as listed Notes remain Outstanding:

- (a) ensure that those Notes are listed on the Bond Market of the NSX; and
- (b) maintain a Rating in respect of the Issuer, the Notes or the Programme, as the case may be.

6.10.4.3. If a breach of any of the undertakings in Condition 6.10.4.2 above occurs, then the Issuer shall within 3 (three) Business Days of such breach, and in accordance with Condition 6.17 (*Notices*), give notice (the **"Issuer Redemption Notice"**) to the Noteholders of such breach and the procedure for exercising the option set out in Condition 6.10.4.4 below.

6.10.4.4. Each Noteholder may within the period ending 15 (fifteen) Business Days of receipt of the Issuer Redemption Notice (the **"Election Period"**), require the Issuer to redeem its Notes on:

- (a) the Interest Payment Date immediately following the Election Period; or
- (b) if the Election Period expires within a Books Closed Period, the next Interest Payment Date falling after the Interest Payment Date at the end of the Election Period,

by delivery to the Issuer of a notice (the **"Noteholder Redemption Notice"**) in accordance with Condition 6.17 (*Notices*).

6.10.4.5. The Issuer shall, in accordance with Condition 6.10.4.4 above, redeem the Notes relevant to each Noteholder Redemption Notice at the Early Redemption Amount calculated in accordance with Condition 6.10.5 (*Early Redemption Amounts*), together with accrued interest (if any).

6.10.5. Early Redemption Amounts

6.10.5.1. For the purpose of Conditions 6.10.2 (*Redemption at the option of the Issuer*), 6.10.3 (*Redemption at the option of Senior Noteholders*), Condition 6.10.4 (*Redemption in the event of failure to maintain NSX listing and/or Rating*) and/or Condition 6.13 (*Events of Default*), the Notes will be redeemed at the Early Redemption Amount calculated as follows:

- 6.10.5.1.1. in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or
- 6.10.5.1.2. in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price, at the amount specified in, or determined in the manner specified in, the Applicable Pricing Supplement or, if no such amount or manner is so specified in the Pricing Supplement, at their Nominal Amount; or
- 6.10.5.1.3. in the case of Zero Coupon Notes, at an amount (the Amortised Face Amount) equal to the sum of: (i) the Reference Price; and (ii) the product of the Implied Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable, or such other amount or method of calculation of the amount payable as is provided in the Applicable Pricing Supplement.

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

6.10.6. Partly Paid Notes

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 6.10 (*Redemption and Purchase*) and the Applicable Pricing Supplement. In the case of early redemption in accordance with Condition 6.13 (*Events of Default*), the Early Redemption Amount will be determined pursuant to Condition 6.10.3 (*Redemption at the option of the Senior Noteholders*).

6.10.7. **Exchangeable Notes**

If the Notes are Exchangeable Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in the manner indicated in the Applicable Pricing Supplement. Exchangeable Notes in respect of which Mandatory Exchange is indicated in the Applicable Pricing Supplement as applying, or upon the exercise by the Noteholder of the Noteholder's Exchange Right (if applicable), will be redeemed by the Issuer delivering to each Noteholder as many of the Exchange Securities as are required in accordance with the Exchange Price. The delivery by the Issuer of the Exchange Securities in the manner set out in the Applicable Pricing Supplement shall constitute the *in specie* redemption in full of such Notes.

6.10.8. **Purchases**

The Issuer or any of its Subsidiaries may at any time purchase Notes (in the open market or in privately negotiated transactions with any Noteholders) at any price in the open market or otherwise. Such Notes may, subject to Applicable Law, be held, resold, or, at the option of the Issuer, surrendered to the relevant Transfer Agent for cancellation.

6.10.9. **Cancellation**

All Notes which have been redeemed will forthwith be cancelled. All Notes so cancelled shall be forwarded to the Issuer and cannot be re-issued or resold. Where only a portion of Notes represented by an Individual Certificate are cancelled, the relevant Transfer Agent shall deliver an Individual Certificate to such Noteholder in respect of the balance of the Notes.

6.10.10. **Late Payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 6.10 (*Redemption and Purchase*) or upon its becoming due and repayable as provided in Condition 6.13 (*Events of Default*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 6.10.5.1.3 as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of: (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and (ii) 5 (five) days after the date on which the full amount of the moneys payable has been received by the CSD, and notice to that effect has been given to the Noteholder in accordance with Condition 6.17 (*Notices*).

6.10.11. **Applicable Procedures**

The redemption and partial redemption of Beneficial Interests shall take place in accordance with the Applicable Procedures and the Applicable Laws.

6.11. **TAXATION**

6.11.1. All payments of principal and interest in respect of the Notes by the Issuer will be made after withholding and / or deducting for or on account of any present or future taxes or duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf, Namibia or any political subdivision or any authority thereof or therein having power to tax, as required by law.

6.11.2. The Issuer will determine whether to withhold and / or deduct such taxes or duties, assessments or governmental charges of whatever nature based on the information provided by the Noteholder and recorded in the Register. The Issuer shall not be liable to make good any amount so withheld to any Noteholder who could lawfully avoid (but has not so avoided) such withholding or deduction by complying with any statutory requirement in force at the present time or in the future by making a declaration of non-residence or other similar claim or filing for exemption to which it is entitled to the relevant tax authority or Paying Agent (the effect of which is not to require the disclosure of the identity of the relevant Noteholder) as the case may be.

6.12. **PRESCRIPTION**

In the absence of action for the interruption of prescription, the Notes will become void within a period of three years after the Relevant Date therefor.

6.13. **EVENTS OF DEFAULT**

6.13.1. **Senior Notes**

If any one or more of the following events (each an "**Event of Default**") shall have occurred after the Programme Date and be continuing, an Extraordinary Resolution by the Noteholders shall be required to authorise any action in respect of an Event of Default.

- 6.13.1.1. the Issuer fails to pay any interest or principal in respect of any of the Notes on due date for payment and the failure to pay continues for more than ten days, unless it is as a result of an event of Force Majeure; or
- 6.13.1.2. the Issuer fails to perform or observe any of its other obligations under the Notes and such failure has continued for a period of ten days following the service on the Issuer of a notice requiring the same to be remedied; or
- 6.13.1.3. the Issuer is placed in liquidation, dissolved or is wound-up, whether provisionally or finally or is placed under judicial management, whether provisionally or finally or any process similar thereto, or an order is made or an effective resolution is passed for the winding-up, dissolution or liquidation of the Issuer save for the purposes of a merger, amalgamation, consolidation, reconstruction or reorganisation within the Issuer's group of companies on terms approved by an Extraordinary Resolution of Noteholders; or
- 6.13.1.4. the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, other than in terms of a merger, amalgamation, consolidation, reconstruction or reorganisation within the Issuer's group of companies on terms approved by an Extraordinary Resolution of the Noteholders, or if the Issuer stops or threatens to stop payment of, or is unable to, or admits to being unable to pay its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts (or any class of its debts); or
- 6.13.1.5. any step is taken by or under any authority with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or any of the Issuer or any of the securities issued by the Issuer or a material part of the assets of the Issuer; or
- 6.13.1.6. the Issuer initiates or consents to judicial proceedings relating to itself under any applicable compromise with creditors, liquidation, winding-up or insolvency or other similar laws or compromises, or attempts to compromise, with its creditors generally (or any significant class of creditors) or any meeting of creditors is convened by the Issuer to consider a proposal for an arrangement of compromise with its creditors generally (or any significant class of its creditors); or
- 6.13.1.7. if proceedings are initiated against the Issuer such that a person takes possession of the whole or a material part of the undertaking or assets of the Issuer, or an execution or attachment or other process is levied, enforced upon, sued out or put in force against the whole or a part of the undertaking or assets of the Issuer and such is not discharged within 30 days;

then any holder of Senior Notes may, by written notice to the Issuer at its registered office, effective upon the date of receipt thereof by the Issuer, declare the Notes held by such holder to be forthwith due and payable whereupon the same shall become due, forthwith day at the Early Redemption Amount together with accrued interest (if any) to the date of payment, provided that no such action may be taken by a holder of Senior Notes if the Issuer withholds or refuses to make any such payment in order to comply with any law or regulation in the Republic of Namibia or to comply with any order of a court of competent jurisdiction.

6.13.2. **Subordinated Notes**

If any one or more of the events contemplated in 6.13.1.1, 6.13.1.2, 6.13.1.3, 6.13.1.4 and 6.13.1.6 above (each an "Event of Default") shall have occurred after the Programme Date and be continuing, any holder of Subordinated Notes may, by written notice to the Issuer at its registered office, effective upon the date of receipt thereof by the Issuer, declare the Notes held by such holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount together with accrued interest (if any) to the date of payment, provided that no such action may be taken by a holder of Subordinated Notes if the Issuer withholds or refuses to make any such payment in order to comply with any law or regulation of the Republic of Namibia or to comply with any order of a court of competent jurisdiction.

- 6.13.3. If the Issuer becomes aware of the occurrence of any Event of Default, the Issuer shall forthwith notify all Noteholders in accordance with Condition 6.17 (*Notices*), the Dealers, the NSX in writing.

6.14. TRANSFER, EXCHANGE AND REPLACEMENT OF NOTES

- 6.14.1. Unless the Applicable Pricing Supplement provides otherwise, Notes represented by an Individual Certificate may be transferred in whole or in part (in the nominal amounts set out in the Applicable Pricing Supplement) by the holder or holders surrendering the Individual Certificate for registration of the transfer of the Individual Certificate (or the relevant part of the Individual Certificate) at the specified office of the Transfer Agent. The Individual Certificate shall have the form of transfer thereon duly executed by, or shall be accompanied by a written instrument of transfer in a form satisfactory to the Issuer and Transfer Agent duly executed by, the transferor and the transferee thereof or their attorney or attorneys duly authorised in writing. Upon the Transfer Agent, after due and careful enquiry, being satisfied with the documents of title and the identity of the person making the request and subject to such reasonable regulations as the Transfer Agent may prescribe, the requested transfer shall be effected in the Register. Such form of transfer shall comply with the applicable Namibian legal requirements as well as such reasonable requirements as the Transfer Agent may determine.
- 6.14.2. Subject as provided above, the Transfer Agent will, within three Business Days of receipt by it of the request (or such longer period as may be required to comply with any applicable fiscal or other laws, regulations or Applicable Procedures), authenticate and deliver at its specified office to the transferee or (at the risk of the transferee) send by mail to such address as the transferee may request a new Individual Certificate in respect of the Notes transferred. In the case of the transfer of part only of the Notes represented by an Individual Certificate, a new Individual Certificate in respect of the balance of the Notes not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor. The surrendered Individual Certificate will forthwith be cancelled and retained by the Transfer Agent. The transferor of Notes represented by an Individual Certificate shall remain the owner thereof until registration of the transferee as Noteholder in the Register.
- 6.14.3. Trades in Notes represented by Individual Certificates shall be carried out in accordance with the Applicable Procedures.
- 6.14.4. In the event of a partial redemption of Notes, the Issuer and Transfer Agent shall not be required:
- (a) to register the transfer of Notes (or parts of Notes) during the period beginning on the 10th day before the date of the partial redemption and ending on the day on which notice is given for redemption (both inclusive); or
 - (b) to register the transfer of any Note, or part of a Note, called for partial redemption.
- 6.14.5. The costs and expenses of effecting any exchange or registration of transfer pursuant to the foregoing provisions (except for the expenses of delivery by a means other than regular mail (if any) and, if the Issuer shall so require, for the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto which will be borne by the Noteholder) will be borne by the Issuer.
- 6.14.6. The liquidator(s) or trustee(s) of an estate of a liquidated or sequestrated Noteholder or the executors of or administrators of a deceased Noteholder (not being one of several joint holders) and in the case of the death of one or more of several joint holders the survivor or survivors of such joint holders and the executors or the administrators of the deceased estate shall be the only person(s) recognised by the Issuer and the Transfer Agent as having any title to such Notes.
- 6.14.7. Any person becoming entitled to Notes in consequence of the death or bankruptcy of the holder of such Notes may upon producing such evidence that he holds the position in respect of which he proposes to act under this paragraph or of his title as the Issuer shall require, be registered himself as the holder of such Notes or, subject to the requirements of the Applicable Procedures and of this Condition 6.14, may transfer such Notes. The Issuer and the Transfer Agent shall be entitled to retain any amount payable upon the Notes to which any person is so entitled until such person shall be registered as aforesaid or shall duly transfer the Notes.
- 6.14.8. Unless otherwise requested by him, the holder of Notes of any Series shall be entitled to receive only one Individual Certificate in respect of his entire holding of such Series.
- 6.14.9. The joint holders of Notes in any Series shall be entitled to one Individual Certificate only in respect of their joint holding of such Series which shall, except where they otherwise direct, be delivered to the joint holder whose name appears first in the Register in respect of such joint holding.
- 6.14.10. Where a Noteholder has transferred part only of his holding of Notes represented by a single Individual Certificate there shall be delivered to him an Individual Certificate in respect of the balance of such holding.
- 6.14.11. If any Individual Certificate is mutilated, defaced, stolen, destroyed or lost it may be replaced at the office of the Transfer Agent, on payment by the claimant of such costs and expenses as may be incurred in connection therewith and the provision of such indemnity as the Issuer may reasonably require. Mutilated or defaced Individual Certificates must be surrendered before replacements will be issued.

6.15. **REGISTER**

6.15.1. The Register of Noteholders:

- 6.15.1.1. shall be kept at the specified office of the relevant Transfer Agent and a copy thereof shall be made available for inspection at the registered office of the Issuer (as set out at the end of the Programme Memorandum) or such other person as may be appointed for the time being by the Issuer to maintain the Register;
 - 6.15.1.2. shall contain the names, physical or registered addresses, identity or registration number, e-mail address and bank account numbers of the registered Noteholders;
 - 6.15.1.3. shall show the total Nominal Amount of the Notes held by Noteholders;
 - 6.15.1.4. shall show the dates upon which each of the Noteholders was registered as such;
 - 6.15.1.5. shall show the serial numbers of the Individual Certificates and the dates of issue thereof;
 - 6.15.1.6. shall be open for inspection at all reasonable times during business hours on Business Days by any Noteholder or any Person authorised in writing by a Noteholder; and
 - 6.15.1.7. shall be closed during the Books Closed Period.
- 6.15.2. The relevant Transfer Agent shall alter the Register in respect of any change of name, address or account number of any of the Noteholders of which it is notified.
- 6.15.3. Except as provided for in these Terms and Conditions or as required by law, in respect of Notes, the Issuer will only recognise a Noteholder as the owner of the Notes registered in that Noteholder's name as per the Register.
- 6.15.4. Except as provided for in these Terms and Conditions or as required by law, the Issuer shall not be bound to enter any trust in the Register or to take notice of or to accede to the execution of any trust (express, implied or constructive) to which any Individual Certificate may be subject.

6.16. **TRANSFER AGENT, PAYING AGENT AND CALCULATION AGENT**

- 6.16.1. The names of the initial Transfer Agent, Paying Agent, NSX Debt Sponsor, Dealer, Arranger and Calculation Agent and their specified offices are set out on page 2 of this Programme Memorandum.
- 6.16.2. The Issuer is entitled to vary or terminate the appointment of the Transfer Agent, Paying Agent and Calculation Agent and/or appoint additional or other agents and/or approve any change in the specified office through which any agent acts, provided that there will at all times be a Transfer Agent, Paying Agent and Calculation Agent with an office in such place as may be required by the Applicable Procedures. The Transfer Agent, Paying Agent and Calculation Agent act solely as the agents of the Issuer and do not assume any obligation towards or relationship or agency of trust for or with any Noteholders.

6.17. **NOTICES**

- 6.17.1. All notices to Noteholders of Notes represented by Individual Certificates shall be in writing and shall be sent via electronic mail to the respective e-mail addresses of those Noteholders appearing in the Register. Each such notice shall be deemed to have been received by the relevant Noteholder on the date on which such notice is transmitted by e-mail.
- 6.17.2. For so long as any Notes represented by Individual Certificates are listed on the NSX, there may be substituted for the notice contemplated in Condition 6.17.1, the publication of the relevant notice on any electronic news service of general distribution (including the electronic news service established or used or required by the NSX).
- 6.17.3. In the event of a CSD being established, and such CSD is established at any time after the Programme Date, then and in such an event, all notices to holders of Beneficial Interest in Notes shall be in writing and transmitted by e-mail to the CSD's Nominee, the NSX and the CSD Participants, for communication by the CSD's Nominee and the CSD Participants to the holders of the Beneficial Interests in accordance with the Applicable Procedures. Each such notice will be deemed to have been received by the holders of Beneficial Interests on the date on which such notice is transmitted by e-mail.
- 6.17.4. Where any provision of the Terms and Conditions requires notice to be given to Noteholders of any matter other than a meeting of the Noteholders, such notice will be given *mutatis mutandis* as set out in Condition 6.18 (*Meetings of Noteholders*), subject to compliance with any other time periods in the provision concerned. In addition to the applicable notice requirements set out in this Condition 6.17, all notices of meetings of all of the Noteholders shall be published on NENS.

6.18. **MEETINGS OF NOTEHOLDERS**

6.18.1. **Convening of meetings**

- 6.18.1.1. The Issuer may at any time convene a meeting of Noteholders (a meeting or the meeting), taking into account and complying with para 15.19 to 15.24 (inclusive of both) of the NSX Listing Requirements.
- 6.18.1.2. The Issuer shall convene a meeting upon the requisition in writing of the holders of at least 10% (ten percent) of the aggregate Nominal Amount Outstanding of the Notes (requisition notice).
- 6.18.1.3. Whenever the Issuer wishes or is required to convene a meeting, it shall forthwith give notice in writing to the Noteholders of the place, day and hour of the meeting and of the nature of the business to be transacted at the meeting.
- 6.18.1.4. All meetings of Noteholders shall be held in Windhoek, which meeting may be attended electronically, unless otherwise specified.
- 6.18.1.5. Any director or duly authorised representative of the Issuer, and any other person authorised in writing by the Issuer, may attend and speak at a meeting of Noteholders, but shall not be entitled to vote, other than as a proxy or duly authorised representative of a Noteholder.

6.18.2. **Requisition**

- 6.18.2.1. A requisition notice shall state the nature of the business for which the meeting is to be held and shall be deposited at the registered office of the Issuer.
- 6.18.2.2. A requisition notice may consist of several documents in like form, each signed by one or more requisitionists.

6.18.3. **Convening of meetings by requisitionists**

If the Issuer does not proceed to cause a meeting to be held by sending notice thereof in terms of Condition 6.18.4 below, within 10 (ten) days of the deposit with the company secretary of the Issuer of a valid requisition notice, requisitionists who together hold not less than 25% (twenty five percent) of the aggregate Nominal Amount outstanding of the Notes for the time being, may themselves convene the meeting, but the meeting so convened shall be held within 60 (sixty) days from the date of such deposit and shall be convened as nearly as possible in the same manner as that in which meetings may be convened by the Issuer. Notice of the meeting shall be required to be given to the Issuer.

6.18.4. **Notice of meeting**

- 6.18.4.1. Unless the holders of at least 90% (ninety percent) of the aggregate Nominal Amount outstanding of the Notes agree in writing to a shorter period, at least 21 (twenty one) calendar Days written notice specifying the place, day and time of the meeting and the nature of the business for which the meeting is to be held shall be given by the Issuer to Noteholders. Such notice is required to be given in accordance with Condition 6.17 (*Notices*).
- 6.18.4.2. The accidental omission to give such notice to any Noteholder or the non-receipt of any such notice, shall not invalidate the proceedings at a meeting.

6.18.5. **Quorum**

- 6.18.5.1. A quorum at a meeting shall for the purposes of considering:
 - 6.18.5.1.1. an ordinary resolution generally, consist of Noteholders present in person or by proxy and holding in the aggregate a majority of the aggregate Nominal Amount outstanding of the Notes; and
 - 6.18.5.1.2. an Extraordinary Resolution, consist of Noteholders present in person or by proxy and holding in the aggregate not less than 50.1% (fifty point one percent) of the aggregate Nominal Amount outstanding of the Notes.
- 6.18.5.2. No business shall be transacted at a meeting of the Noteholders unless a quorum is present at the time when the meeting proceeds to business.
- 6.18.5.3. If, within 30 (thirty minutes from the time appointed for the meeting, a quorum is not present, the meeting shall, if it was convened on the requisition of Noteholders, be dissolved. In every other case the meeting

shall stand adjourned to the same day in the third week thereafter, at the same time and place, or if that day is not a Business Day, the following Business Day. If at such adjourned meeting a quorum is not present the Noteholders present in person or by proxy shall constitute a quorum for the purpose of considering any resolution, including an Extraordinary Resolution.

6.18.6. Chairman

The chairman of the meeting shall be appointed by the Noteholders (present in person or by proxy) at such meeting.

6.18.7. Adjournment

6.18.7.1. Subject to the provisions of this Condition 6.18 the chairman may, with the consent (which consent shall not be unreasonably withheld and/or delayed) of, and shall on the direction of the Issuer, adjourn the meeting from time to time and from place to place.

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

6.18.7.3. At least 14 (fourteen) days written notice of the place, day and time of an adjourned meeting shall be given by the Issuer to each Noteholder. In the case of a meeting adjourned in terms of Condition 6.18.7.1 the notice shall state that the Noteholders present in person or by proxy at the adjourned meeting will constitute a quorum.

6.18.8. How questions are decided

At a meeting, a resolution put to the vote will be decided on a poll. In the case of an equality of votes, it will be deemed that such resolution has not been passed and the chairman will not be entitled to a casting vote in addition to the vote, if any, to which he is entitled.

6.18.9. Votes

6.18.9.1. On a poll every Noteholder, present in person or by proxy, shall have one vote for each N\$ 1,000,000 (one million Namibia Dollars) of the Nominal Amount outstanding of the Notes held by him. The joint holders of Notes shall have only one vote on a show of hands and one vote on a poll for each N\$ 1,000,000 (one million Namibia Dollars) of the Nominal Amount outstanding of the Notes of which they are the registered holder and the vote may be exercised only by that holder present whose name appears first on the Register in the event that more than one of such joint holders is present in person or by proxy at the meeting.

6.18.9.2. In the event that of a central securities depository being established, and such central securities depository is established at any time after the Programme Date, then and in such an event the CSD's Nominee, as the registered holder of each Tranche of Notes which is held in the CSD, will vote at any meeting of Noteholders on behalf of the holders of Beneficial Interests in such Notes, in accordance with the instructions of the CSD's Nominee from such holders conveyed through such holders CSD Participants in accordance with the Applicable Procedures.

6.18.9.3. Notwithstanding anything to the contrary contained herein, any Noteholder that is the Issuer or any of its Subsidiaries shall not be entitled to vote.

6.18.10. Proxies and representatives

6.18.10.1. Noteholders may:

6.18.10.1.1. Be present in person; or

6.18.10.1.2. through any appointed Person (a proxy), by an instrument in writing (a form of proxy), signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney of a duly authorised officer of the corporation,
vote on a poll.

6.18.10.2. A Person appointed to act as proxy need not be a Noteholder.

6.18.10.3. The form of proxy shall be deposited at the registered office of the Issuer or at the office where the Register is kept or at such other office as the Issuer may determine not less than 24 (twenty four) hours

before the time appointed for holding the meeting or adjourned meeting at which the Person named in such form of proxy proposes to vote, and in default, the proxy shall be invalid.

- 6.18.10.4. No form of proxy shall be valid after the expiration of 6 (six) months from the date named in it as the date of its execution.
- 6.18.10.5. A proxy shall have the right to demand or join in demanding a poll.
- 6.18.10.6. Notwithstanding Condition 6.18.10.1, the form of proxy shall be valid for any adjourned meeting, unless the contrary is stated thereon.
- 6.18.10.7. A vote given in accordance with the terms of a proxy shall be valid notwithstanding the previous death or incapacity of the principal or revocation of the proxy or of the authority under which the form of proxy was executed or the transfer of Notes in respect of which the proxy was given, provided that no intimation in writing of such death, incapacity or revocation shall have been received by the Issuer at the office of the relevant Transfer Agent more than, and that the transfer has been given effect to less than, 12 (twelve) hours before the commencement of the meeting or adjourned meeting at which the proxy is to be used.
- 6.18.10.8. Any Noteholder, which is a corporation, may by resolution of its directors or other governing body authorise any Person to act as its representative in connection with any meeting or proposed meeting of Noteholders. Any reference in this Condition 6.18 to a Noteholder present in person includes such a duly authorised representative of a Noteholder.

6.18.11. Binding effect of resolutions

Any resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions hereof shall be binding upon all the Noteholders whether present or not present at such meeting and whether or not voting, and all the Noteholders shall be bound to give effect thereto accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof. Notice of the result of the voting on any resolution duly considered by the Noteholders shall be published in accordance with Condition 6.18.12.1 by the Issuer within 14 days of such result being known provided that the non-publication of such notice shall not invalidate such resolution.

6.18.12. Minutes

- 6.18.12.1. The Issuer shall cause minutes of all resolutions and proceedings of meetings to be duly entered in the minute books of the Issuer within 5 (five) Business Days of the relevant meeting.
- 6.18.12.2. Any such minutes as aforesaid, if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings held or by the chairman of the next succeeding meeting, shall be receivable in evidence without any further proof, and until the contrary is proved, a meeting of Noteholders in respect of the proceedings of which minutes have been so made shall be deemed to have been duly held and convened and all resolutions passed thereat, or proceedings held, to have been duly passed and held.

6.18.13. *Mutatis mutandis* application

The provisions of this Condition 6.18 shall apply *mutatis mutandis* to the calling and conduct of meetings on an individual Tranche, Series or Class of Noteholders, as the case may be.

6.19. MODIFICATION

- 6.19.1. No modification of these Terms and Conditions may be effected without the written agreement of the Issuer. The Issuer may effect, without the consent of the relevant Class of Noteholders any modification of the Terms and Conditions which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the laws of the Republic of Namibia and the governing law in accordance with which Notes are issued. Any such modification shall be binding on the relevant Class of Noteholders and any such modification shall be notified to the relevant Class of Noteholders in accordance with Condition 6.17 (*Notices*) as soon as practicable thereafter.
- 6.19.2. Save as provided in Condition 6.19.1, no modification of these Terms and Conditions may be effected unless:
 - 6.19.2.1. in writing and signed by or on behalf of the Issuer, and by or on behalf of the members of the relevant Class of Noteholders holding not less than two-thirds, in Nominal Amount, of the Notes in that Class for

the time being Outstanding; or

6.19.2.2. sanctioned by an Extraordinary Resolution.

6.20. **FURTHER ISSUES**

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

6.21. **GOVERNING LAW**

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

The Issuer irrevocably and unconditionally agrees, for the benefit of the Noteholders, that the Main Division of the High Court of Namibia (or any successor to that division) will have non-exclusive jurisdiction to settle any disputes which arise out of or in connection with the Notes and accordingly submits to the non-exclusive jurisdiction of the High Court of Namibia.

7. USE OF PROCEEDS

Words used in this section headed “*Use of Proceeds*” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes, as well as infrastructure roll-outs or as may otherwise be described in the Applicable Pricing Supplement.

8. DESCRIPTION OF THE ISSUER

8.1. OVERVIEW

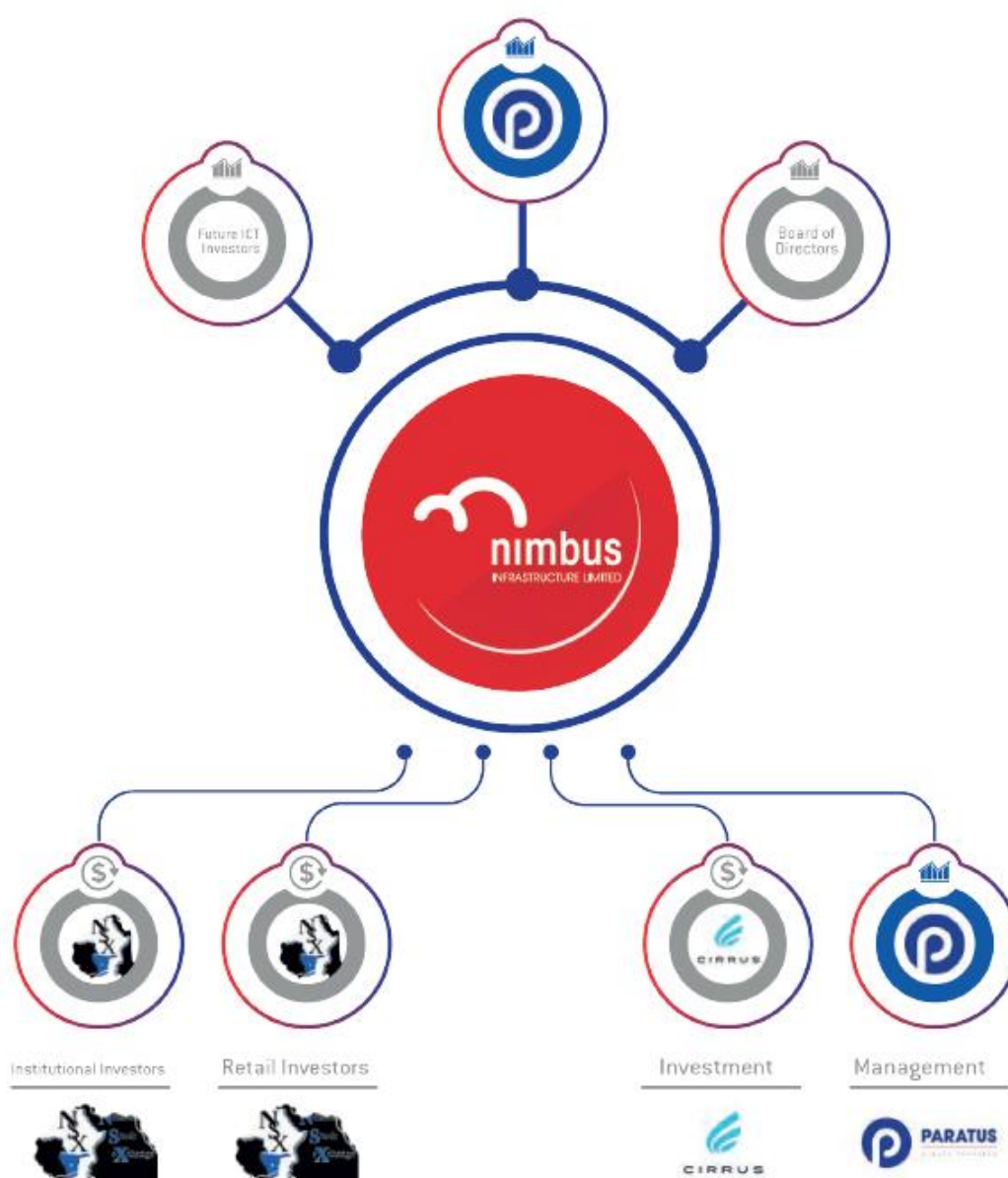
Paratus Namibia Holdings Limited (“**PNH**”) has grown from its humble beginnings of being the first Capital Pool Company (“**CPC**”) to list on the NSX on 6 October 2017, to being admitted to the NSX main board during June 2018, listed under the Technology Sector. PNH, formerly known as Nimbus Infrastructure Limited was incorporated in Namibia and operates principally in Namibia with interests in the information and communications technology (“**ICT**”) industry.

The objective of PNH is pursuing investments and investing in viable infrastructure projects in the ICT sector in sub-Saharan Africa.

8.2. OWNERSHIP AND CONTROL

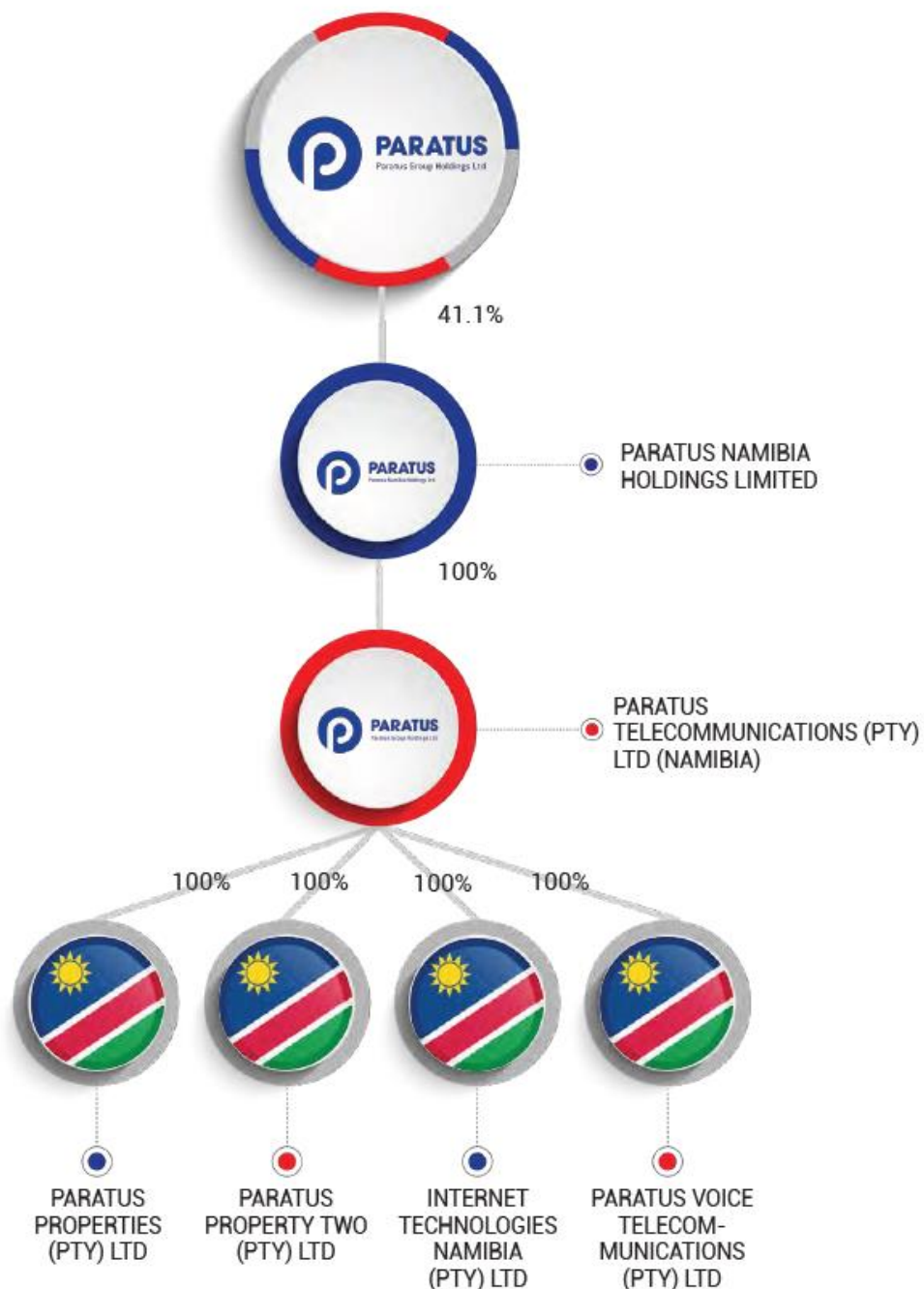
On 26 January 2018 PNH acquired an effective see-through economic interest of 26.5% in Paratus Telecommunications (Pty) Ltd (“**Paratus Telecom**”) for the total aggregate consideration of N\$95 million. On 1 June 2018, PNH increased its shareholding from 26.5% to 51.4% in Paratus Telecom. Effective 1 January 2020, PNH increased its shareholding from 51.4% to 100%, making Paratus Telecom a wholly owned subsidiary of PNH. All operational activity takes place in Paratus Telecom.

PNH structure before 1 January 2020:



Source: Paratus Namibia Holdings Limited Integrated Annual Report, 2020

PNH structure after 1 January 2020:



Source: Paratus Namibia Holdings Limited Integrated Annual Report, 2020

The Paratus group of companies (“**Group**”) considers itself the backbone of Africa connectivity. Namibia is one of the 6 African countries in which the Group has operational offices. The Group provides ICT network solutions, satellite connectivity and infrastructure in more than 24 countries in Africa – connecting Africa from the West- to the East Coast. As part of the larger group, Paratus Telecom is able to leverage the larger African footprint to its advantage and assist its clients to connect across Africa.

Employees

Staff complement of 189 employees, ranging from a service record of 1 year to more than 15 years. Paratus Telecom strives to be an employer of choice and as such, provides a range of benefits to attract employees across a broad spectrum of ICT services.

8.3. REVIEW OF OPERATIONS / DESCRIPTION OF THE BUSINESS

Paratus Telecom delivers world-class technology through passionate and committed employees, who ensure that each customer experience is a valuable one. From humble beginnings, Paratus Telecom has grown into a full-service network and connecting customers internationally. The Paratus Telecom business is managed by a passionate, skilled operational team.

The Paratus Telecom growth profile is underpinned by the achievement of major successes over the past 10 years, such as transitioning multiple individual technology licenses held under the Namibia Communications Commission to a full ECS/ECNS telecommunications license under the Communications Regulatory Authority of Namibia in 2012 as well as building independent fiber crossings into South Africa via Velloorsdrif/Onseepkans, an independent fiber crossing into Zambia via Katima Mulilo/Sesheke and an independent fiber crossing into Botswana via Buitepos.

Product offering

- Fiber
- Wireless
- LTE
- Structure network cabling
- Hard and soft switch solutions
- Telephony (own 083 national number range)
- Host of value-added-services (cloud, on-line backup, disaster recovery as a service)
- PNH strives to keep growing and raising the benchmark for connectivity in Namibia and the continent

Fiber

In 2014, Paratus Telecom launched the first privately owned fiber ring in Windhoek which marked a strategic moment in Paratus Telecom's life cycle. A clear new trend was set in the telecommunications revenue, with growth accelerating as a result thereof. Paratus Telecom has since completed the installation of fiber rings in Swakopmund and Walvis Bay.

Trans Kalahari Fiber line

In 2018, Paratus Telecom completed the Trans Kalahari Fiber line ("TKF") extending from Walvis Bay via Swakopmund, connecting to the West Africa Cable System ("WACS"), via Windhoek to Botswana. The concept behind the fiber route is to connect neighbouring land-locked countries to the WACS cable and connect the East- and West Coast of Africa terrestrially without the single dependency on undersea cable systems around Africa.

The TKF route now connects not only the East- and West Coast of Africa from the WACS landing station in Swakopmund to the EASSy (Eastern Africa Submarine Cable System) cable landing station in Dar es Salaam, Tanzania, which was completed in August 2019, but also stretches both north and south through its partners in Botswana to connect Botswana, South Africa and Zambia.

PNH's affiliates recently completed a new terrestrial connection of approximately 750km from Maputo, Mozambique to the Camden substation in South Africa which connects to the TKF route. This means that Paratus Telecom now connects two different routes from the East- to the West Coast of Africa.

8.4. THE PNH STRATEGY

Paratus Telecom will continue to build on the 2020 period successes. On a high level, the Paratus Telecom strategy for the foreseeable future is to:

- Expand the national footprint in Namibia - fiber rollout and LTE deployment (mobile data) in all major towns of Namibia with a focus on national resellers;
- Improve efficiencies – automate the back office systems;
- Strategic acquisitions;
- Opening of additional outlets;
- Develop a Tier 3 Data Center - The Data Center will be 1,300 sqm in size and will host 140 cabinets. This will enable Paratus Telecom to expand its service offering to the financial services sector and content service providers. The additional services include peering services to improve network efficiency, cloud services and disaster recovery services;
- Raise additional debt funding - the current low gearing ratio of Paratus Telecom warrants the additional debt funding. This will optimise the capital structure and shareholder returns through a reduced weighted average cost of capital; and
- Equiano submarine cable – Paratus Telecom has already entered into a 15-year agreement to be the landing partner for







the Equiano submarine cable in Namibia.

The bilateral Equiano agreements entail two facets, being the first whereby Paratus Telecom acquires on an indefeasible right of use ("IRU") of the branch connecting Namibia to the Equiano cable for own use and the exchange of services to be rendered to the vendor.

This Equiano venture will enable:

- Paratus Telecom to sell branch capacity to other carriers in the region seeking to access trunk capacity on IRU basis;
- Paratus Telecom will be in a position to provide true redundancy services to operators and carriers heavily reliant on WACS;
- The Equiano cable via the Namibian branch and TKF will be the shortest and fastest connection from Europe to Johannesburg, which should see increased demand for capacity on the Paratus Telecom owned TKF line connecting Swakopmund to Botswana and Zambia; and
- Increase the Paratus Telecom's profitability and driving down Internet costs to connect more Namibians to the Internet.

The business model thrives of six sources of "capital". The inputs from each type of capital collectively underpin the PNH strategy. Its business activities, these six sources of "capital" ensure that the Group creates value for all stakeholders. This can best be illustrated as set out in the table below, which highlights the manner in which these six sources of "capital" impact on the operational outputs of the Group:

	CAPITAL	INPUTS	ACTIVITIES	OUTPUTS	OUTCOMES
	FINANCIAL CAPITAL Debt and equity financing; cash generated from operations and investments	Capital raised – N\$230 million; Funding;	Financial accounting; Debt management; Investments; Corporate activity	Investments – Paratus at N\$515 million; Revenue generated – N\$173 million; Profits generated – N\$25 million	Return on investment; Growth prospects (refer to ; Acquisition strategy
	MANUFACTURED CAPITAL Our networks and fiber; Public infrastructure	Fiber Infrastructure; Fiber line (refer to page X; TKF (refer to page X);	Converting resources into shareholder returns	Technology and Infrastructure enhancement; Capital growth	Improved bandwidth; Internet access to consumer and enterprise market; Lower cost of data/bandwidth
	HUMAN CAPITAL The motivation, skills, safety and diversity of our employees, contractors, partners and suppliers	Competency; Capability; Industry-specific experience; Motivation; Experienced leadership	Employer of choice; Range of benefits; Training; Incentive programmes; Ongoing engagement with service providers and other stakeholders	Performance measurements	Effective and efficient operations; Attract, motivate, and retain the desired talent
	SOCIAL & RELATIONSHIP CAPITAL Trusted relationships with customers, communities, governments and regulators, suppliers and industry bodies	NamCode principles – corporate citizen (economic, social and environmental impact on the community in which it operates)	Create and maintain inclusive and mutually beneficial relationships with stakeholders	Infrastructure development; Improved sustainability; Employment; Businesses; Customers	Improved economy; Improved community; Sustainable business
	NATURAL CAPITAL Spectrum, energy and land	Natural resources	Operational efficiencies; Reduce carbon footprint with a specific focus on E-waste and green energy; Impact on the environment	Social-economic development (refer to Corporate Social Responsibility and Sustainability report on page X)	Responsible corporate citizen
	INTELLECTUAL CAPITAL Our culture; our know-how; proprietary and licensed technology; procedures and processes	Governance structure Risk management; Investment advisory services; Management resources	Developing and implementing corporate governance; Asset management; Controls and processes; Enterprise risk management	Effective systems and processes; Mitigating controls; Risks and opportunities; Income-generating assets (Refer to our ARC report on pages X to X and our corporate governance report on pages X to X)	Ethical culture; Effective controls; Execution of strategy

Source: Paratus Namibia Holdings Limited Integrated Annual Report, 2020

8.5. BOARD OF DIRECTORS & BOARD COMMITTEES

The board of directors of PNH as at the Programme Date comprises of four independent directors, one non-executive director and four executive directors. The board of directors is the highest decision-making body, functions within the ambit of an annually reviewed charter and instructs and oversees a management and control structure that directs and executes all functions the Group. The board also drives the strategy of PNH.

INDEPENDENT NON-EXECUTIVE DIRECTORS

HANS-BRUNO (HABO) GERDES | Chairperson | Appointed: 8 August 2017

Qualifications: ACIS/ BPROC (UCT)

Nationality: Namibian

Function and Committees: Remuneration and Nomination Committee, Audit, Risk and Compliance Committee

Background: Habo was previously the Managing Partner of Engling, Stritter & Partners. Habo is an associate of the Institute of Chartered Secretaries and holds a BProc degree from the University of Cape Town. He currently practices as a commercial/corporate attorney and holds a number of directorships in both listed and unlisted companies and serves on various governance committees. He is also the chairperson of the Legal Practitioners Fidelity Fund and Honorary Consul for the Kingdom of Belgium in Namibia. Habo has been a board member of the NSX since 2009.

MORNÉ ROMÉ MOSTERT | Appointed: 30 June 2017

Qualifications: B Comm, Chartered Financial Analyst Charterholder

Nationality: Namibian

Function and Committees: Remuneration & Nomination Committee

Background: Romé is a CFA Charterholder with a BComm degree from the University of Stellenbosch. Romé has run the research desk at two of Namibia's largest stockbrokers and was also the Managing Director of IJG Securities. Romé has a passion for financial markets and is extremely well regarded in this space. He developed both of Namibia's official bond and equity indices, to which billions of Namibia Dollars of invested funds are benchmarked by the country and region's asset managers.

He has managed assets for various companies and individuals, focusing on customised segregated portfolios for specialised purposes. Romé served as a director of the NSX from July 2015 to April 2018 and has been involved in a number of debt and equity listings. He is a local valuation expert, having valued various companies from start-ups to large mining entities.

STUART HILTON BIRCH | Appointed: 8 August 2017

Qualifications: B. Comm (Computer Science), MBA

Nationality: South African

Function and Committees: Investment Committee

Background: Stuart has been in the ICT Industry for over 20 years and is currently a co-founder of IRIS Network Systems, a company that focuses on providing telecommunications and Internet Service Provider ("ISP") companies with a comprehensive Network Management Solutions. Stuart is currently the Managing Director of IRIS Network Systems who delivers and manages their software and hardware on 178 servers spread over four continents and in 10 countries. His clients include: - Undersea cable companies - Pan-African ISPs - Regional ISPs - Data and VOIP providers – North American regional Carrier Service Providers. Before IRIS Network Systems, Stuart gained extensive experience in the ICT Industry working at Dimension Data, of which Internet Solutions is a subsidiary, where he served clients in retail, financial services, telecommunications and healthcare. At Dimension Data, Stuart held positions in Account Management and Business Development. He was also the Regional Executive for the Western Cape Region for Internet Solutions where his region was awarded Region of the Year at the Annual Dimension Data Sales Awards in both 2007 and 2008 for the Africa and Middle East region. In 2004 Stuart served on the Dimension Data Western Cape Exco, and on the Internet Solutions Exco between 2006 and 2010.

JOSEPHINE NAANGO NDAKULILWA SHIKONGO | Appointed: 8 August 2017

Qualifications: Associate Chartered Management Accountant (ACMA), Chartered Global Management Accountant (CGMA), MPA: Strategic Public Management & Leadership, CIMA Advanced Diploma in Management Accounting, CIMA Diploma in Management Accounting, CIMA Certificate in Business Accounting, National Diploma: Accounting & Finance

Nationality: Namibian

Function and Committees: Investment Committee, Remuneration and Nomination Committee (Chairperson), Audit, Risk and Compliance Committee

Background: Josephine has over 10 years' experience in the accounting and finance field. She has worked in various sectors, including media, telecommunications and mainly the financial sector. She has served in a managerial capacity at the Motor Vehicle Accident Fund of Namibia, Agricultural Bank of Namibia and is currently the Head of Finance and Administration for BFS Nampro Fund Manager. Her experience includes overseeing the financial and management accounting functions, procurement and property management, as well as IT and HR functions. While studying in the US as a Fulbright Scholar, Josephine worked for the Strategic Initiatives department at World Business Chicago, an economic development public private partnership that drives the City of Chicago's economic growth.

NON-EXECUTIVE DIRECTORS

JOHANNES JACOBUS (JACO) ESTERHUYSE | Appointed: 23 May 2018

Qualifications: CA (SA)

Nationality: South African

Function and Committees: Audit, Risk and Compliance and Investment Committee (Chairperson)

Background: Jaco currently holds the position of Chief Financial Officer of the Capricorn Investment Group Limited. He has extensive experience in the financial and investment industry. His career in the financial and investment industry commenced in 2005 in the United Kingdom where he was based until November 2011. During this time he worked for Mitsui Sumitomo Insurance Company Ltd, Oakwood Global Finance and Barclays PLC amongst others. He returned to Namibia in December 2011 and joined the Capricorn Group in January 2012.

EXECUTIVE DIRECTORS

ANDREW HALL | Appointed: 25 September 2019

Qualifications: B. Com with specialization in Entrepreneurship – Cum Laude (Unisa)

Nationality: Namibian

Function and Committees: Board member, Managing Director

Background: Andrew has been in the telecommunications industry for 18 years. He is passionate about customer service and a firm believer in the under-promise but over-deliver philosophy. Andrew is very service delivery orientated and is a very good communicator; having numerous teams reporting to him. Andrew started out in the telecommunications industry as a technical apprentice in 2001. He progressed rapidly due to his passion for the industry and the commitment to ensure projects are completed, implemented and planned meticulously as well as implemented timeously. He progressed to become the Managing Director of Vox Telecom Paratus Namibia. He is now the Managing Director of Paratus Namibia and is responsible for all operations across the entire product spectrum. Due to his technical background, he understands technology and has the ability to design, plan and implement projects across diverse deployments at all levels.

STEFANUS ISAIAS (STEFAN) DE BRUIN | Appointed: 8 August 2017

Qualifications: B Com (Hons), CA (Nam), H Dip (Tax)

Nationality: Namibian

Function and Committees: Board member, Group Chief Financial Officer

Background: Stefan has more than 20 years of experience in operations and finance of which the last ten years were spent as an executive director of Namibian listed entities. Stefan is currently the Chief Financial Officer of the Paratus Group. Stefan joined Old Mutual Investment Group Property Investments (Proprietary) Limited (OMIGPI) in August 2008 and served as a representative director of Oryx Properties Limited (NSX listed company) as well as Oryx Management Services (Proprietary) Limited, a subsidiary of OMIGPI until November 2010. Stefan resigned from OMIGPI with the internalisation of the asset and finance management functions of Oryx Properties Limited and was appointed by Oryx Properties Limited as Chief Executive Officer. He served as a non-executive director of the NSX from 2013 to 2016. During this period he served as Chairman of the Audit and Risk Committee. Stefan also served as a non-executive director of the Old Mutual Orion Namibia Pension and Provident Funds from 2016 to 2019. During this period he also served as Chairman of the Audit and Risk Committee. He is currently the Chairman of the Professional Provident Society Insurance Company (Namibia) Limited (PPS) board. He was previously a senior manager for Tax and Legal Services at PricewaterhouseCoopers from 2002 to 2003, Financial Manager at Siemens Namibia (Proprietary) Limited from 2003 to 2005 and Financial Director at Siemens Namibia (Proprietary) Limited from 2005 to 2008.

SCHALK LEIPOLDT VAN ZYL ERASMUS | Appointed: 8 August 2017

Qualifications: Microsoft Certified Systems Engineer (MCSE) and Cisco Certified Associate

Nationality: Namibian

Function and Committees: Board member, Group Chief Operations Officer

Background: Schalk has been in the Service Provider and telecommunications Industry for over fifteen years and has co-founded various operating companies in Africa. Schalk is currently the Chief Operating Officer of the Paratus Group, operating in over twenty four African countries with physical presence in six African Countries which include: Angola, Botswana, Mozambique, Namibia, South Africa and Zambia. The Africa success story is a testament to his technical capabilities and leadership skills. Formerly, Schalk was a founding shareholder and Technical Director of Internet Technologies Namibia (Proprietary) Limited from inception in 2005 till 2014 when the Company was incorporated into Paratus Telecommunications (Proprietary) Limited. Prior to this Schalk managed his own business ventures from 2000 till 2004, offering technical support to the US Government and various NGO's including USAID, FHI and the United Nations. Prior to 2000, Schalk obtained various Diplomas in Software Support, Bookkeeping and Accounting. Schalk also obtained his MCSE (Microsoft Certified System Engineer) and later his Cisco Certification. Schalk was also a Microsoft Certified Trainer where he conducted training on almost all Microsoft Products. During the late 90's Schalk became the Branch Manager of ISU Campus, an authorised Training and Certification Centre.

BARTHOLOMEUS ROELOF JACOBUS (BARNEY) HARMSE | Appointed: 25 September 2019

Nationality: Namibian

Function: Board Member, Group Chief Executive Officer

Background: Barney Harmse is a Namibian who matriculated from Academia High School in Windhoek in 1988. Directly after high-school Barney took up employment in the Government as a computer programmer at the old Personnel Institution, which forms part of the Office of the Prime Minister today. After Government he joined BCS Computers in 1991 as a Programmer, that provided Insurance Systems to the Insurance industry for Brokers and Insurance companies on a Bureau basis. It is during this time at BCS Computers that Barney fell in love with his new passion, WAN Networking. Barney has an impressive 30-year career in the networking telecommunications service industry in Africa and has reached multiple milestones during this period. Barney was instrumental in establishing commercial Internet in Namibia. He co-founded the original UUNET Internet Africa in Namibia which is MTN today. Since 1996, he was the MD of UUNET Namibia for 7 years until 2002. After UUNET, during the last 18 years, he has co-founded various companies in Angola, Namibia, Zambia, Botswana, Mozambique as well as South Africa. Today these companies all form part of the Paratus Group, and deliver product and service to more than 24 African countries. The Paratus Group have approximately 450 dedicated employees in Africa. These 450 employees represent more than 5000 family members, to whom Paratus provides for daily.

COMMITTEES

The board of directors, as delegated certain functions to structured and effective committees to assist the board of directors in the discharge of their duties and responsibilities. All committees have formal terms of references and report to the board of directors. They are chaired by non-executive directors or individuals and have a majority of independent non-executive directors or individuals. The following board committees exist:

Investment Committee

- Jaco Esterhuyse (Chairperson)
- Josephine Shikongo
- Stuart Birch
- Heinrich Jansen van Vuuren
- Romé Mostert

The committee has an independent role, operating as an overseer and makes recommendations to the board for their consideration and final approval. The committee does not assume the functions of management, which remain the responsibility of the executive directors, officers and other members of senior management. The committee has the authority to approve expenditure relating to potential transactions, disposals and/or acquisitions. The committee is responsible for:

- setting criteria and targets for investments;
- advising on and/or effecting disposals, acquisitions and developments within the approved investment policy and authority limits;
- developing and recommending sustainability practices for PNH and the Group.

Audit, Risk and Compliance Committee

- Heinrich Jansen van Vuuren (Chairperson)
- Jaco Esterhuyse
- Hans-Bruno Gerdes
- Josephine Shikongo

The roles and responsibilities include, but are not limited to:

- review of internal controls and systems;
- monitoring that decisions taken by the Board affecting the committee is followed through;
- monitoring compliance with the Articles of Association, NSX Listings Requirements, Companies Act, NamCode and other applicable legislation;
- review the audit management letter;
- recommend letters of representation and other documentation for board approval;
- recommend approval of annual reports and interim results to board;
- recommend approval of annual budgets to board;
- recommend approval of NSX announcements to board;
- agree and recommend accounting policies to board;
- reporting to board on proceedings of the committee;
- monitor the corporate risk assessment process;
- monitor the financial risk assessment process and the committee must review; financial risks;
 - internal financial controls;
 - fraud risk as they relate to financial reporting;
 - IT risk as they relate to financial reporting; and
 - reporting to the NSX in the annual NSX compliance, that the committee has monitored compliance during the year concerned;
- consider problems identified in the going concern assumption;
- consider the appropriateness and disclosure of related party transactions;
- the committee oversees integrated reporting;

- have reasonable regard to all material factors and risks that may impact on the integrity of the Integrated Annual Report;
- review the financial statements, interim reports, preliminary or provisional results announcement, summarised integrated information, any other intended release of price-sensitive information and prospectuses, trading statements and similar documents;
- the committee ensures that a combined assurance model is applied to provide a coordinated approach to all assurance activities;
- the committee satisfies itself of the expertise, resources and experience of the finance function of PNH and the Group; and
- the committee shall be responsible for overseeing any internal audit function, once such function is in place.

Remuneration and Nomination Committee

- Josephine Shikongo
- Hans-Bruno Gerdes
- Romé Mostert (Chairperson)

The committee assists the board to ensure that:

- the directors and executives are fairly and responsibly remunerated;
- the disclosure of directors' remuneration is accurate, complete and transparent;
- the overall remuneration philosophy promotes the achievement of the strategic objectives;
- the board has the appropriate composition to execute its duties effectively;
- directors are appointed through a formal process; and
- formal succession plans for the members of the board, CEO and senior management appointments are in place.

COMPANY SECRETARY

Cronjé Secretarial Services (Pty) Ltd is the company secretary, represented by Christiaan Cronjé, Carmen Strauss and Katherine Amakali, duly appointed by the board in accordance with the Companies Act. The board considered and is satisfied that the individuals who perform the company secretary role, are properly qualified and have the requisite knowledge, skills and experience to competently fulfil the function of company secretary. The representatives of the company secretary are not directors of PNH and/or Group. The board empowers the company secretary to enable it to properly fulfil its duties.

8.6. CORPORATE GOVERNANCE AND REGULATORY FRAMEWORK

PNH complies with all relevant legislation and frameworks, including the Companies Act; the Namibian Code on Corporate Governance ("**NamCode**") the NSX Listings Requirements and other best practice regulations flowing from both local and international authorities. Paratus endorses the NamCode on Corporate Governance.

The board is responsible for the overall conduct of the Group's businesses and for the establishment of a corporate governance framework that takes into account the best practice recommendations as set by the Audit, Risk and Compliance ("**ARC**") Committee, the Companies Act, NamCode report and the NSX Listings Requirements.

The board of directors fully subscribe to the principles of good corporate governance and regards these as fundamentally important to the business success and sustainability of the Group.

Board Charter

The board charter provides guidelines to directors in respect of, *inter alia*, the board's responsibilities, authority, composition, procedures, meetings and the need for performance evaluations. The board charter also provides for a clear division of responsibilities to ensure a balance of power and authority to ensure that no single director has unfettered powers of decision-making. During the period the subsidiary companies within the group revoked their board charters and adopted the charter of the holding company, PNH.

Composition of the board of directors

- PNH and the Group has a board which is diverse in terms of race, gender, business skills, experience and tenure. This diversity provides for robust discussion and assists in reaching decisions which are considered and appropriately reflect the strategic objectives of PNH and the Group, its resources and the financial and operational targets to be established, measured and managed.
- The board subscribes to a unitary board structure with a balance of executive and non-executive directors. The board will at all times be a majority of non-executive directors, the majority of whom must be independent as defined in NamCode.
- The chairperson of the board is an independent non-executive director. The chairperson will be appointed on an annual basis and will be responsible for the effective leadership of the board. The chairperson, together with the board, will consider the number of outside chairpersonships held and the board will ensure a proper succession plan for the position of chairperson.

- The Managing Director (“**MD**”), Group Chief Executive Officer (“**CEO**”), Group Chief Financial Officer (“**CFO**”) and Group Chief Operations Officer (“**COO**”) are *ex officio* members of the board. There is a clear division of responsibilities between the executive responsibility for the running of the business and the leadership of the board, such that no one individual has unfettered powers of decision-making.
- The Remuneration- and Nomination Committee (“**REMCOM**”) of the board will assist with the identification of suitable candidates for appointment to the board and to board committees. Directors appointed by the board based on the recommendation of the REMCOM will stand down at the first annual general meeting of shareholders following such appointment and may offer themselves for re-election. The board will on an annual basis consider its size, diversity, demographics and skills requirements as part of the assessment of the board and directors’ performance. At least one third of the non-executive directors will retire by rotation on an annual basis.
- The independence of all independent non-executive directors will be assessed on an annual basis with a specific focus on the independence of independent non-executive directors who have served for more than (six) 6 years and the outcome of such assessments will be reported on in the integrated report; and
- Upon the completion of the share swap transaction whereby PNH increased its shareholding from 51.4% to 100% in Paratus Telecom, the board composition was reviewed and the directors of PNH and Paratus Telecom were aligned to create mirror boards for both entities.

Role and function of the board

- As its primary function, the board is responsible to determine the strategic direction and to exercise prudent control over Paratus Telecom and/or PNH and its affairs.
- The board and the individual directors will at all times act in the best interest of PNH and/or Group and adhere to all relevant legal standards of conduct.
- The board serves as the focal point and custodian of corporate governance in the Group.
- The board appointed the MD, CEO, CFO and COO and formally evaluate the performance of such officers annually against agreed performance measures and targets. The board satisfies itself that there is succession planning for the MD, CEO, CFO and COO (emergency situations and succession over the longer term) and periodically review these plans. In addition, the board, via the REMCOM, provides input regarding senior management appointments, remuneration and succession plans.
- The board approves and annually review a delegation of authority framework that articulates its set direction on reservation and delegation of power. The board oversees that key management functions are headed by an individual with the necessary competence and authority and are adequately resourced.
- The board implemented a formal governance framework in respect of subsidiary companies and other related entities in the Group.
- The board, with the support and guidance of the REMCOM, adopted remuneration policies that are fair, responsible and aligned with the strategy of the Company and/or Group while linked to individual performance. A remuneration report is included in the integrated report and the remuneration policy and implementation report shall be submitted to shareholders annually for a non-binding, advisory vote.

Responsibilities of individual directors

- In fulfilling due responsibility to PNH and/or Group, the directors will at all times see to:
 - steering the Group and setting its strategic direction;
 - approving policy and planning that give effect to the direction provided;
 - overseeing and monitoring of implementation and execution by management;
 - ensuring accountability for performance by means of, among others, reporting and disclosure.
 - act in the best interest of Paratus Telecom and/or PNH, in good faith and with integrity and adhere to all relevant legal standards of conduct;
 - conduct themselves in a professional manner;
 - avoid any conflict of interest between their personal affairs and that of PNH and/or Group or, where unavoidable, in writing disclose any such conflict or potential conflict;
 - disclose any information that they may be aware of that is material to PNH/ or Group and which the board is not aware of, unless such director is bound by ethical or contractual obligations of non-disclosure;
 - only use their powers for the purposes for which they were conferred and not to gain an advantage for themselves or a third party or to harm PNH and/or Group in any way;

- only act within their powers as formally delegated by the board;
 - keep all information learned in his capacity as a director strictly confidential;
 - use their best endeavours to attend board and relevant board committee meetings where at all possible and devote appropriate preparation time ahead of each meeting to ensure that they are in a position to contribute to board and committee discussions and to make informed decisions on matters placed before the board or board committee;
 - exhibit the degree of skill and care as may be reasonably expected from a person of their skill and experience, but also exercise both the care and skill any reasonable person would be expected to show in looking after their own affairs; and
 - actively participate in and contribute to board deliberations in a constructive and frank manner under the leadership and guidance of the chairperson.
- Individual directors will be expected to participate in the induction programme of PNH and/or Group on appointment and attend such professional development programmes as deemed necessary by the chairperson based on the outcome of the annual assessment of the director's performance.
 - Directors who are not able to attend a meeting of the board must submit a formal written apology, with reasons, to the chairperson or Company Secretary prior to the relevant meeting.
 - The directors are entitled to have access, at reasonable times, to all relevant PNH and/or Group information and to management. Such access shall be arranged through the chairperson of the board or the CEO.

Development of directors

- A formal induction programme will be in place for new directors who will also be provided with a letter of appointment. Inexperienced directors will be assisted, with the guidance of the chairperson, to participate in mentoring programmes where available. The need for continuing professional development programmes will be identified as part of the annual assessment of the performance of the directors. Directors will be provided with regular briefings on changes in risks, laws and the environment but will also be expected to keep abreast of developments in the business environment and markets that may have a material impact on the business.
- As part of the succession policy of the board, suitably qualified candidates can be appointed as members of board committees so as to ensure that such candidates obtain sufficient exposure and experience.

Board procedures and policies

The board adopted the below policies and procedures to ensure proper governance in the management of its affairs:

- **Conflicts of interest:** The board adopted a formal Code of Conduct and Conflicts of Interest Policy in terms of which conflicts are defined and appropriate procedures for dealing with conflicts are prescribed. Directors are at liberty to accept other board appointments so long as the appointment does not conflict with the business of PNH and/or Group and does not detrimentally affect the director's performance as a director on the board of PNH.
- **Trading in company equities:** The board adopted and approved a formal procedure to regulate the trading by directors, officers and senior management in PNH's equities.
- **Dissemination of company information:** The board approved a policy in respect of the dissemination of PNH information in order to regulate the circulation of price sensitive information and to ensure equal treatment of all shareholders.

8.7. LITIGATION STATEMENT

Other than disclosed hereunder, at the Programme Date, there are no legal or arbitration proceedings, including any proceedings that are pending or threatened of which the Issuer is aware, which may have or have had a material effect on the financial position of the Issuer in the last 12 months:

City of Windhoek

During the year Paratus Telecom was served with papers by the City of Windhoek to cease all works relating to fiber deployment and City of Windhoek confiscated all construction equipment. An urgent application filed with the High Court was successful and Paratus Telecom obtained an interdict whereby the City of Windhoek is prevented from interfering with the rights of Paratus Telecom under the Communications Act No. 8 of 2009 ("**Act**") to lay fiber infrastructure as well as illegally utilising the City Police to threaten Paratus Telecom and its contractors from fulfilling its obligations under the Act. The matter has been appealed by City of Windhoek and is now pending finalisation before the Supreme Court.

Paratus Telecom has further commenced review proceedings in the High Court of Namibia to review the awarding of a telecommunications license by the Communications Regulatory Authority to the City of Windhoek. Paratus Telecom is of the opinion that the process that was followed to award the telecommunications license to City of Windhoek is not lawful and that the license will create an untenable situation where City of Windhoek will continue to infringe on the rights of telecommunications service providers to protect its own interests.

8.8. RECENT DEVELOPMENTS

Fiber infrastructure

Despite the delay experienced as a result of the State of Emergency declared on 11 March 2020, the infrastructure rollout in Windhoek, Swakopmund and Walvis Bay is proceeding at a rapid pace. Further, additional funding aided the fiber rollout in Windhoek and other major towns in Namibia. The rollouts were targeted at areas with poor mobile 3G and 4G connectivity and towns i.e., Otjiwarongo and Grootfontein with limited or no fiber connection. Furthermore, corporate customers throughout Namibia were targeted.

Equiano Submarine Cable

Paratus Telecom entered into an agreement to be the landing partner to land the Equiano submarine cable at Swakopmund, Namibia.

Data center

The PNH team also successfully concluded an agreement with a hyper scaler anchor tenant, an affiliate of Google, for a Tier 3 data center to be constructed in Windhoek.

BoFiNet TKF Agreement

The agreement between Paratus Telecom and BoFiNet entered into in September 2017, whereby BoFiNet will gain access, via TKF from Buitepos (Namibia's Border with Botswana) to the WACS landing station in Swakopmund continues to deliver returns in the current period. BoFiNet concluded a 20-year Indefeasible Right of Use ('IRU') from Paratus Telecom, being a permanent contractual commercial agreement, with transit bandwidth equivalent to capacities of 10 DWDM Wavelengths.

BoFiNet Ngoma Agreement

The agreement entered into by Paratus Telecom and BoFiNet whereby Paratus Namibia provides BoFiNet with two pairs of dark fiber optic cable in terms of a 20-year dark fiber IRU between Ngoma and Sesheke via Katima Mulilo, to connect BoFiNet to Zambia via Namibia continues to deliver returns in the current period.

8.9. CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY REPORT

The Corporate Social Responsibility ("CSR") and sustainability activities of PNH showcase the company's commitment to giving back to the community in the educational and business incubation / innovation spheres. PNH continuously reviews and adjust its corporate social priorities in light of global trends and changes that occur in the needs of its stakeholders to ensure PNH does its part in making a difference in the lives of Namibians and the socio-economic wellbeing of the community through its annual Paratus Cares Week. These focus areas reiterate our core brand message which is to unlimit the potential of others.

The following key initiatives are underway:

Education

PNH prides itself in being an enabler for education, specifically online education and bridging the gap of access to technology. PNH believes in creating and maintaining platforms to empower future generations.

EduGate – EduVision

Paratus Telecom has been involved since the inception of Eduvision in 2017, through an invaluable sponsorship of reliable Internet connectivity through VSAT and SmartBoard technology. Paratus Telecom understands the challenges that remote areas face when it comes to physical teaching and the decision to become involved to offer dependable solutions that fit the needs of remote schools was well within our mission of bridging the gap of access to information. Paratus Telecom's established network system and infrastructure provides fast and reliable access to remote areas for their e-Learning needs to help overcome the challenges that are associated with physical teaching methods and improve the quality of education offered to rural schools in remote regions in real-time. Young people are the country's future leaders, and Paratus Telecom aims to aid them with the necessary tools to become truly limitless. Through the use of SmartBoard technology, teachers in Otjiwarongo are able to teach real-time online classes and direct students to the SmartBoard on both sides of the connectivity i.e. Otjiwarongo and Tsumkwe to interact and solve exercises directly on the SmartBoards. What is written by the teacher in Otjiwarongo, appears on the SmartBoard in Tsumkwe and vice versa when the students in return interact with the teacher in Otjiwarongo. EduVision was founded to offer effective, interactive classroom teaching between teachers and learners of the EduGate Academy with their counterparts in rural schools by utilising modern teaching methods and technology to help improve the pass rates for learners in grades 10, 11 and 12. Currently, the EduVision programme has grown to ten schools and 1767 learners that benefit from the initiative.

Kwakwas Primary School

In line with its commitment to empower and unlimit the potential of future generations, Paratus Telecom provided the Kwakwas Primary School with Internet access through our range of VSAT products. Kwakwas Primary School is a rural school that is situated around 27km north-west of Rehoboth. The school has only four staff members that teach 69 grade 1 to grade 7 learners from the San and the surrounding farming community. The school had no Internet connectivity prior to Paratus Telecom's involvement and given the location of the school, which is out of the coverage of terrestrial network towers, Paratus

Telecom saw an opportunity to provide VSAT solutions through its range of satellite connectivity options. VSAT is a technology that allows remote areas access to connectivity. We were thus able to connect Kwakwas Primary School.

Business incubation / innovation

Dololo – DoBox Namibia

Paratus Telecom started as a privately owned, entrepreneurial telecommunications service provider and therefore fully understands the needs that entrepreneurs and start-up businesses have, to grow their own businesses as well as the Namibian economy. The partnership with Dololo and DoBox is a true reflection of how Paratus Telecom empowers future generations by bridging the gap of access to information and more importantly, providing the means to access this information. Dololo is a business incubation hub that exists to develop the entrepreneurship ecosystem in the country. DoBox is the latest addition to Dololo and it offers a business incubation center, coworking spaces for entrepreneurs as well as providing services to forward-looking companies and institutions by facilitating Internal Innovation Workshops, events and training. Paratus Telecom has partnered with DoBox to become its connectivity sponsor with the aim of connecting these entrepreneurs to the rest of the world through a reliable and fast Internet connection.

Other CSR activities

Paratus Cares Week 2019

While the main focus for CSR remains education and business innovation, Paratus Telecom continues to review and adjust its corporate social priorities in light of global trends and changes that occur in the needs of the stakeholders to ensure the company makes a difference in the lives of Namibians.

The Paratus Telecom team delivered food items, beanies and toys to the children of the following less fortunate communities.

1. Katutura Old Age Home
2. Huis Maerua Children's Home
3. Beautiful Kidz School
4. Dagbreek School for the Intellectually Impaired
5. Side-by-Side, an early intervention centre for children with disabilities
6. Dordabis pre-primary and primary school

Sustainability

As a company that operates with a continuous growth mindset, Paratus Telecom is cognisant of the effects our business operations have on the environment and the community. Many of the challenges for companies operating in the technological sector is the rapid growth and evolution of software, hardware as well as ways of working and the disposal of equipment that has become redundant. While there is no regulatory and policy framework in place in Namibia governing the consequences of electronic waste, Paratus Telecom has taken the necessary steps to ensure that we operate and handle all redundant equipment which may pose a threat to the environment in a controlled manner. Paratus Telecom also understands the importance of utilising our country's natural resources in a sustainable way to conduct business.

Paratus E-waste

Paratus Telecom has its own E-waste skip on-premises at its headquarters in Prosperita for electronic equipment. The company also has an agreement with SKIPGO for the e-waste removal to have all redundant electronic equipment periodically emptied and disposed of.

Green Energy

As a sustainable and responsible company, Paratus Telecom has a 194-panel PV (Photo Voltaic) solar installation which generates on-premise capacity using the natural solar resource – the sun. Since the installation of the panel in 2015, Paratus Telecom has saved a total of 129.81 tonnes of carbon emissions. This amount can be equated to about 865,407 km of fuel emissions.

9. INVESTOR CONSIDERATIONS

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

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

Prospective investors should, prior to investing in the Notes, carefully consider the following investment considerations, in addition to the information set out elsewhere in this Programme Memorandum (including all documents incorporated by reference into this Programme Memorandum) and, in relation to the Notes, the Applicable Pricing Supplement, and consult their own financial, tax and legal advisors as to the risks and investment considerations arising from an investment in the Notes, the appropriate tools to analyse such an investment, and the suitability of such an investment in the context of the particular circumstances of each investor.

The information set out in the following summary is intended as a general guide to certain investment consideration and risk factors which may be relevant to a prospective subscriber for or purchaser of any Notes or any person contemplating making an investment in the Notes.

9.1. Risks related to structure of a particular issue of notes

9.1.1. **General**

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

- 9.1.1.1.1. have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Programme Memorandum or any applicable supplement;
- 9.1.1.1.2. have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such an investment will have on its overall investment portfolio;
- 9.1.1.1.3. have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- 9.1.1.1.4. understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- 9.1.1.1.5. 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.

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

9.1.2. **Early redemption**

The Issuer may at its option redeem a Tranche of Notes prior to the Final Maturity Date. These optional early redemption features of the Notes may limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any such redemption period.

9.1.3. **Interest rate risks**

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the market value of the Fixed Rate Notes. Investment in Notes that bear interest at a rate that converts Fixed Interest rate to a Floating Interest Rate (or *vice versa*) may affect the market value of the Notes. If the interest in the Notes is converted from a Fixed Interest Rate to a Floating Interest Rate, the spread on the Notes may be less favourable than the prevailing spreads on comparable Notes tied to the same Reference Rate. In addition, the new Floating Interest Rate at any time may be lower than the rates on the other Notes. If the interest on the Notes is converted from a Floating Interest Rate to a Fixed Interest Rate, the new Fixed Interest Rate may be lower than the prevailing rates on the other Notes.

9.1.4. **Mixed Rate Notes**

Mixed Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate (or *vice versa*). The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Mixed Rate Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Mixed Rate Notes will be tied to the same Reference Rate. In addition, the new floating rate to a fixed rate, the fixed rate may be lower than the prevailing rates on its Fixed Rate Notes.

9.1.5. **Variable Rate Notes**

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

9.1.6. **Notes issued at discount or premium**

The market value of Notes issued at a substantial discount or premium to their Nominal Amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable securities.

9.1.7. **Index-Linked Notes**

9.1.7.1. The Issuer may issue Index-Linked Notes the terms of which provide for interest or principal payable in respect of such Notes to be determined by reference to an index or formula, to changes in the prices of securities or commodities, to movement in currency exchange rates or other factors ("Relevant Factor"). Potential investors should be aware that:

- 9.1.7.1.1. the market price of such Notes may be volatile;
- 9.1.7.1.2. no interest may be payable on such Notes;
- 9.1.7.1.3. payments of principal or interest on such Notes may occur at a different time than expected
- 9.1.7.1.4. the amount of principal payable at redemption may be less than the Nominal Amount of such Notes or even zero;
- 9.1.7.1.5. a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- 9.1.7.1.6. if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable is likely to be magnified;
- 9.1.7.1.7. the timing changes in a Relevant Factor may affect the actual yield to Noteholders, even if the average level is consistent with expectations: in general, the earlier the change in the Relevant Factor the greater the effect on the yield.

9.2. **Risks relating to the Issuer**

9.2.1. The value of the Notes depends, amongst other things, on the ability of the Issuer to fulfil its obligations under the Notes.

- 9.2.2. The financial prospects of any entity are sensitive to the underlying characteristics of its business and the nature and extent of the commercial risks to which the entity is exposed. There are a number of risks faced by the Issuer, including those that encompass a broad range of economic and commercial risks, many of which are not within its control. The performance of the Issuer's business can be influenced by external market and regulatory conditions. If the Issuer's business is affected by adverse circumstances in the same period, overall earnings would suffer significantly. These risks create the potential for the Issuer to suffer loss.
- 9.2.3. The Issuer is a publicly listed company. The Risk factors set out herein, and other general risks applicable to all investments in listed securities not specifically referred to, may affect the future value of securities of PNH. The market price of the Issuer's securities can increase or decrease and may be subject to varied and unpredictable influences on the market for securities in general. Neither the Issuer nor the Issuer's directors warrant the future performance of the Issuer or any return in an investment in the Issuer.

9.3. **Risks relating to the Notes**

9.3.1. **Non-recourse obligations**

The Notes will be obligations solely of the Issuer. The Notes will not be obligations of, or the responsibility of, or guaranteed by, any other person, including in particular but without limitation, any Dealer of any of their respective affiliates. No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes and the applicable Terms and Conditions will be accepted by any other person, including but not limited to, Cirrus Securities or any other Dealer or their respective affiliates.

9.3.2. **Limited liquidity**

- 9.3.2.1. The Issuer may issue listed or Unlisted Notes. The continued listing of any Tranche of Notes listed on the NSX and/or any other exchange(s) is subject to the rules of the relevant exchange(s) in force from time to time. There can accordingly be no assurance that the listing of any Tranche of Notes will continue until the Final Maturity Date.
- 9.3.2.2. There may be limited secondary market for the Notes. There can be no assurance that any secondary market for any of the Notes will continue until the Final Maturity Date. Generally, Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors will have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes. Consequently, a subscriber or purchaser must be prepared to hold its Notes until the Final Maturity Date.
- 9.3.2.3. In addition, Noteholders should be aware that global credit market conditions may lead to a general lack of illiquidity in the secondary market for instruments similar to the Notes. Such lack of liquidity may result in investors suffering losses on the Notes in secondary re-sales even if there is no decline in the performance of assets of the Issuer.
- 9.3.2.4. If the notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer.
- 9.3.2.5. Noteholders that trade in interest-bearing Notes during the period that the Register is closed prior to each Interest Payment Date, will need to reconcile any amounts payable on the following Interest Payment Date, pursuant to a partial redemption of the Notes. As a result, secondary market liquidity of the Notes may reduce during this period.

9.3.3. **CSD**

- 9.3.3.1. In the event of a CSD being established, and such CSD is established at any time after the Programme Date, then and in such an event, each Tranche of Notes which is listed on the NSX, may be issued in registered uncertificated form and will be held in the CSD. The Noteholders of such Notes will have to rely on the procedures of the NSX and the CSD for transfer, payment and communication with the Issuer. Except in the circumstances described in the Terms and Conditions, the Noteholders of such Notes will not be entitled to receive Individual Certificates.
- 9.3.3.2. The CSD would maintain records of the Beneficial Interest in Notes held in the CSD. While Notes are held in the CSD, the holders of the Beneficial Interests in such Notes will be able to trade their Beneficial Interests in such Notes only through the CSD. While Notes are held in the CSD, the Issuer will discharge

its payment obligations under such Notes by making payments to or to the order of the CSD's Nominee (as the registered holder of such Notes), for distribution, via the CSD Participants, the holders of the Beneficial Interests in such Notes. A holder of a Beneficial Interest in Notes must rely on the procedures of the CSD and the CSD Participants to receive payments under such Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, Beneficial Interests.

9.3.4. Credit Rating

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

9.3.5. Modification and waivers and substitution

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

9.3.6. Change of law

The Programme Memorandum, the Notes and the Terms and Conditions are governed by, and will be construed in accordance with the laws of Namibia as at the Programme Date. No assurance can be given as to the impact of any possible judicial decision or change to the laws of Namibia or administrative practice in the jurisdiction after the Programme Date.

9.3.7. Legal investment considerations may restrict certain investments

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

9.3.8. Foreign Exchange Risks and Controls

The Issuer maintains its accounts, and reports its results, in NAD. The Namibia Dollar has been pegged as a fixed exchange rate to South African Rands since 1993. However, there can be no assurance that the Namibia Dollar will not be de-pegged in the future or that the existing peg will not be adjusted.

10. SETTLEMENT, CLEARING AND TRANSFER OF NOTES

All Notes shall be issued in definitive form. Listed and Unlisted Notes are transferable in accordance with the provisions of Condition 6.14 (*Transfer, Exchange and Replacement of Notes*).

No Notes will be issued in bearer or order form.

Payments of interest and principal in respect of Individual Certificates will be made to Noteholders in accordance with Condition 6.9 (*Payments*).

Subject to the approval and rules of the NSX, Notes listed and settled on the NSX are as follows:

Each Tranche of Notes which is listed on the NSX will be issued, cleared and settled, in accordance with the NSX listing requirements and settlement procedures, by the Issuer (who will act as Settlement Agent) in conjunction with the NSX Debt Sponsor and the relevant Transfer Agent.

Where a Tranche of Notes is to be listed on the NSX pursuant to the NSX listing requirements and settlement procedures:

(a) prior to the Issue Date:

- (i) the NSX Debt Sponsor will submit an application for the issuance of an ISIN code and security code [(“ticker”);
- (ii) the Issuer or the relevant Transfer Agent will cause the Individual Certificate(s) representing the Notes to be executed, issued and delivered to the Settlement Agent; and
- (iii) the Issuer and the relevant Dealers will provide the Settlement Agent with delivery and receipt instructions for the subscription and payment for the Notes;

(b) on the Issue Date:

- (i) the Settlement Agent will deliver the Individual Certificate to the Noteholder against payment of the Issue Price; and
- (ii) the relevant Transfer Agent will reflect the Noteholder’s name in the Register on receipt of the payment of the Issue Price.

11. SUBSCRIPTION AND SALE

The Notes will be distributed by Cirrus Securities (Proprietary) Limited and/or any person appointed as Dealer by the Issuer in terms of the Programme Agreement dated 18 May 2021 relating to the Programme (the “**Programme Agreement**”).

11.1. Republic of Namibia

The Issuer and the Dealer have represented and agreed that they will not solicit any offers for subscription for the Notes in contravention of any law and/or regulation of the Republic of Namibia. The Notes will be issued in terms of a private placement and no prospectus will be registered.

In terms of the Stock Exchanges Control Act, no Person may carry on the business of buying and selling securities in Namibia unless such Person is either a registered stock broker or a registered banking institution (within the meaning of the Namibian Banking Institutions Act) and such buying and selling is effected in accordance with such restrictions as the Registrar of Stock Exchanges may determine, and is restricted to transactions entered into on behalf of or with persons whose investments are administered by such banking institution for remuneration. The term “securities” includes debentures and treasury bills issued by the Republic of Namibia. Accordingly, any Person engaging in the business of buying or selling the Notes in Namibia may be required to register as a stock broker in terms of the Stock Exchanges Control Act.

11.2. United States of America

11.2.1. The Notes have not been and will not be registered under the US Securities Act and may not be offered or sold within the United States or to, or for the account of or benefit of, US persons except in certain transactions exempt from the registration requirements of the US Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the US Securities Act.

11.2.2. The Issuer and each Dealer agrees that it will not solicit offers for the subscription for, or deliver, any Notes within the United States or to, or for the account or benefit of, US persons.

11.3. United Kingdom

The Issuer and each Dealer has represented, warranted and agreed that (i) in relation to Notes which have a maturity of one year or more, it has not offered or sold and will not offer or sell any such Notes to persons in the United Kingdom prior to admission of such Notes to listing in accordance with Part VI of the Financial Services and Markets Act, 2000 (the “**FSMA**”), except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations, 1995 or the FMSA; (ii) in relation to the Notes which have a maturity of 1 year or more, it has not offered or sold and, prior to the expiry of a period of six months from the issue date, will not offer or sell any such Notes to persons in the United Kingdom except to persons whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations, 1995; (iii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any 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 of such Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and (iv) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

11.4. European Economic Area

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a “**Relevant Member State**”), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of any of such Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of any of such Notes to the public in that Relevant Member State:

- (a) in the period beginning on the date of publication of a prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State in accordance with the Prospectus Directive, and/or, where appropriate, published in another Relevant Member State and notified to the competent authority in that Relevant Member State in accordance with Article 18 of the Prospectus Directive and ending on the date which is 12 months after the date of such publication;

- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets, or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year, (2) a total balance sheet of more than €43 million and (3) an annual turnover of more than € 50 million as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC and includes any relevant measure in each Relevant Member State.

11.5. **General**

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to agree that:

- (a) it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in each jurisdiction in which it purchases, subscribes or procures the subscription for, offers or sells Notes in that Tranche or has in its possession or distributes the Programme Memorandum and will obtain any consent, approval or permission required by it for the purchase, subscription, offer or sale by it of Notes in that Tranche under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, subscription, offers or sales;
- (b) it will comply with such other or additional restrictions as the Issuer and such Dealers agree and as are set out in the Applicable Pricing Supplement.

Neither the Issuer nor the Dealer represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder or assumes any responsibility for facilitating such sale.

12. TAXATION

The comments below are intended as a general guide to the current position under the laws of the Republic of Namibia as at the date of the Programme Memorandum and is not intended to as comprehensive advice and do not constitute tax advice and persons who are in any doubt as to their tax position should consult their professional advisers.

All payments (whether in respect of principal, interest or otherwise) in respect of a Tranche of Notes will be made without withholding or deduction for or on account of any taxes, unless such withholding or deduction is required by Applicable Law. The payment of any taxes by the Issuer as an agent or representative taxpayer for a Noteholder shall not constitute a withholding or deduction for the purposes of this Condition 12.

If any such withholding or deduction is required to be made by Applicable Law in respect of taxes imposed or levied on any payments (whether in respect of principal, interest or otherwise) in respect of any Notes in a Tranche, the Issuer will make such payments after such withholding or deduction has been made and will account to the relevant taxation authorities for the amount so required to be withheld or deducted. The Issuer will not be obliged to make any additional payments to any Noteholder in respect of such withholding or deduction.

Income tax in Namibia is governed by the Income Tax Act. Namibia has a source based system as opposed to a residence based tax system. In terms of the Income Tax Act, in relation to any year or period of assessment, income means, in respect of any person, the total amount, in cash or otherwise, received by or accrued to or in favour of such person during such year or period of assessment from a source within, or deemed to be within, Namibia.

Section 15 (2) of the Income Tax Act provides that "*Any interest which has been received by or has accrued to any domestic company or any person who is ordinarily resident in Namibia in respect of any loan, deposit, advance, participation bond, debenture or interest-bearing security, or any dividend distributed by any building society which has been received by or has accrued to any such domestic company or person, shall be deemed to have been derived from a source within Namibia, wheresoever such loan, deposit or advance is made or held or participation bond is registered or debenture, interest-bearing security or any share to which such dividend relates is subscribed for or issued or held or such interest or dividend is payable*".

Accordingly, any income accruing to Noteholders in respect of the Notes will be liable for Taxes imposed or assessed by the Receiver of Revenue if such income is sourced (or deemed to be sourced) within Namibia subject to (and in accordance with) the applicable provisions of the Income Tax Act, subject to the provisions of any double taxation agreements between Namibia and other countries. As at the Programme Date, Namibia has double taxation agreements in place with Botswana, France, Germany, India, Malaysia, Mauritius, Romania, the Russian Federation, South Africa, Sweden and the United Kingdom.

The Issuer is, subject to the provisions of any double taxation agreement that may apply between Namibia and a country where a Noteholder is situated, obliged to withhold, and pay to the Receiver of Revenue, a withholding tax, which currently is equal to 10 percent, of any amount of any interest that is paid by the Issuer to a Noteholder who is a non-resident of the Republic of Namibia, and who is not a natural person or an external company not carrying on business in Namibia.

The information set out above, is intended as a general guide to the relevant tax laws of Namibia as at the Programme Date, and does not constitute (and are not intended as) advice and do not purport to describe all of the considerations that may be relevant to a Noteholder (or prospective Noteholder). Noteholders (or prospective Noteholders) should consult their own professional advisers as to the potential tax consequences of, and their positions in respect of, an investment in the Notes.

No representation and/or warranty and/or undertaking is given by the Issuer (or any other person) in respect of the tax treatment of any Noteholder, and no liability and/or responsibility is assumed by the Issuer (or any other person) for the tax treatment of any Noteholder.

13. EXCHANGE CONTROL

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

The information below is intended as a general guide to the position under the Exchange Control Regulations as at the Programme Date. The Namibian Exchange Control Regulations are subject to change at any time without notice. The contents of this section headed "Exchange Control" do not constitute exchange control advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Notes. Prospective subscribers for or purchasers of any Notes should consult their professional advisers in this regard.

13.1. South Africa/Namibia

13.1.1. Non-South African or non-Namibian resident Noteholders and emigrants from the Common Monetary Area

Dealings in the Notes and the performance by the Issuer of its obligations under the Terms and Conditions may be subject to the Namibian Exchange Control Regulations.

13.1.2. Emigrant Blocked Namibian Dollars

Any amounts payable by the Issuer in respect of Notes subscribed for or purchased with Blocked Namibian Dollars may not, in terms of Namibian Exchange Control Regulations, be remitted out of Namibia or paid to any non-Namibian bank account unless specific approval is sought and obtained from the Bank of Namibia via the Authorised Dealer concerned.

13.1.3. Emigrants from the Common Monetary Area

13.1.3.1. Any Individual Certificates issued to Noteholders who are emigrants from the Common Monetary Area will be endorsed "*non-resident*". Such restrictively endorsed Individual Certificates shall be deposited with an authorised foreign exchange dealer controlling such emigrant's blocked assets.

13.1.3.2. Any payments of interest due to a Noteholder who is an emigrant from the Common Monetary Area will be deposited into such emigrant Noteholder's non-resident Namibian Dollar account, as the case may be, as maintained by an authorised foreign exchange dealer. Interest payments are freely transferable and may be credited to the emigrant's non-resident N\$ account. Capital amounts in respect of principal are not freely transferable from the Common Monetary Area and may only be dealt with in terms of the Namibian Exchange Control Regulations.

13.1.4. Non-residents of the Common Monetary Area

13.1.4.1. Any Individual Certificates issued to Noteholders who are not resident in the Common Monetary Area will be endorsed "*non-resident*". In the event that a Beneficial Interest in Notes is held by a non-resident of the Common Monetary Area through the CSD, the securities account maintained for such Noteholder by the Relevant Participant will be designated as a "*non-resident*" account.

13.1.4.2. It will be incumbent on any such non-resident Noteholder to instruct the non-resident's nominated or authorised dealer in foreign exchange as to how any funds due to such non-resident in respect of Notes, are to be dealt with. Such funds may, in terms of the Namibian Exchange Control Regulations, be remitted abroad only if the relevant Notes, as the case may be, are acquired with foreign currency introduced into Namibia and provided that the relevant Individual Certificate has been endorsed "*non-resident*" or the relevant securities account has been designated as a "*non-resident*" account, as the case may be.

13.1.5. The Issuer is established and domiciled in Namibia and as such there is no exchange control approval required for the establishment of the Programme.

14. GENERAL INFORMATION

14.1. Authorisation

All consents, approvals, authorizations or other orders of all regulatory authorities required by the Issuer under the laws of the Republic of Namibia have been given for the establishment of the Programme and the issue of Notes and for the Issuer, Transfer Agent, Calculation Agent, NSX Debt Sponsor, Dealer, Arranger and Paying Agent to undertake and perform their respective obligations under the Notes and the Programme Memorandum.

14.2. Listing

The Programme has been approved by the NSX on [●] 2021. Notes to be issued under the Programme may be listed on the NSX and/or on such other Exchange(s) as determined by the Issuer. Unlisted Notes may also be issued under this Programme.

14.3. Documents Available

14.3.1. So long as Notes are in issue under the Programme, copies of the following documents will, when published, be available from the specified office of the Issuer as set out herein, as well as the Issuer's website at <https://invest.paratus.africa> and the NSX website at nsx.com.na:

- 14.3.1.1. the integrated annual reports, and notes thereto, of the Issuer in respect of the financial year ended 30 June 2020 as well as the approved audited Annual Financial Statements, and notes thereto, of the Issuer in respect of further financial years, as and when such become available;
- 14.3.1.2. a copy of this Programme Memorandum;
- 14.3.1.3. any future supplements to this Programme Memorandum and any documents incorporated herein by reference.

14.4. Material Change

Save as disclosed in this Programme Memorandum, there has been no material adverse change in the financial or trading position of the Issuer since incorporation.

14.5. Litigation

The Issuer's subsidiary, in Paratus Telecommunications (Pty) Ltd, is currently engaged in litigation with the City of Windhoek as contemplated in 8.7. Other than the aforementioned, the Issuer is not engaged (whether as defendant or otherwise) in any legal, arbitration, administration or other proceedings, the results of which might have or have had a material effect on the financial position or the operations of the Issuer, nor is it aware of any such proceedings being threatened or pending.

14.6. Non-Namibian Resident Noteholders and Emigrants from the Common Monetary Area

The information below is not intended as advice and it does not purport to describe all of the considerations that may be relevant to a prospective purchaser of Notes. Prospective purchasers of Notes that are non-Namibian residents or emigrants from the Common Monetary Area are urged to seek further professional advice in regard to the purchase of Notes under the Programme. Blocked Dollars may be used for the purchase of Notes. Any principal amounts payable by the Issuer in respect of the Notes purchased with Blocked Dollars may not, in terms of the Namibian Exchange Control Regulations, be remitted out of Namibia or paid into any non-Namibian resident's bank account. For the purposes of this clause, Blocked Dollars are defined as funds which may not be remitted out of the Common Monetary Area or paid into a non-Namibia resident's bank account.

14.7. Emigrants from the Common Monetary Area

Any Individual Certificate(s) issued to Noteholders who are emigrants from the Common Monetary Area will be endorsed "*non-resident*". Any payments of interest or principal due to an emigrant Noteholder will be deposited into such emigrant's Blocked Dollar account, as maintained by an authorised foreign exchange dealer.

14.8. Non-residents of the Common Monetary Area

Any Individual Certificate(s) issued to Noteholders who are not resident in the Common Monetary Area will be endorsed "*non-resident*".