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IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the information memorandum attached to this e-mail. You are advised to read this disclaimer carefully before reading, accessing or making any other use of the attached information memorandum. In accessing the attached information memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

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

Confirmation of Your Representation: You have accessed the following information memorandum on the basis that you have confirmed your representation that (1) (i) you are outside the United States and not a U.S. person, each as defined in Regulation S, you are not acting on behalf of a U.S. person and, to the extent you purchase the securities described in the attached information memorandum, you will be doing so pursuant to Regulation S under the Securities Act, OR (ii) you are acting on behalf of, or you are, both a qualified institutional buyer as defined in Rule 144A under the Securities Act and a qualified purchaser under the U.S. Investment Company Act of 1940, as amended, AND (2) you consent to delivery of the attached information memorandum and any amendments or supplements thereto by electronic transmission. By accepting this e-mail and accessing the attached information memorandum, if you are an investor in Singapore, you (A) represent and warrant that you are either an institutional investor (as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”)) pursuant to Section 274 of the SFA, a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or a person to whom an offer is being made pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore, and (B) agree to be bound by the limitations and restrictions described therein. Any reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

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

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

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

Restrictions: The attached document is an information memorandum and is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein. You are reminded that the information in the attached

document is not complete and may be changed. Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of either the issuer of the securities or its placement agents to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute a general advertisement or solicitation in the United States or elsewhere.

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

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

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

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IMPACT INVESTMENT EXCHANGE PTE. LTD. US\$150 Million Women's Livelihood Bond™ Series

Impact Investment Exchange Pte. Ltd. (“IIX”) has established a Women's Livelihood Bond™ Series (“WLB Series”) under which special purpose vehicles established by IIX (together, the “issuers”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue bonds, the proceeds of which will be used by the issuers to make loans to microfinance institutions and impact enterprises located in Asia or elsewhere, as determined by IIX. The issuers shall benefit from a partial guarantee provided by the U.S. International Development Finance Corporation (“USIDFC”) of up to 50% of the net losses incurred by the issuers of the bonds as a result of non-payment of principal of the loans extended by the issuers to borrowers (the “Limited Guarantee”, a copy of which is set out in Appendix C of this Information Memorandum), subject to certain qualification, concentration and other requirements and subject to a maximum guarantee amount of US\$100 million. For the avoidance of doubt, the Bonds are not guaranteed by USIDFC or any other party and investors have no recourse to the Limited Guarantee or to USIDFC.

The aggregate nominal amount of bonds issued under the WLB Series outstanding will not at any time exceed US\$150 million (or its equivalent in other currencies, subject to any duly authorized increase). **There can be no assurance that any such bonds will be issued under the WLB Series in that amount or at all.** A separate information memorandum will be issued by each issuer of the bonds under the WLB Series which may contain terms and conditions different from the terms and conditions described in this Information Memorandum. An investment in bonds issued under the WLB Series involves certain risks. For a discussion of these risks, see *Risk Factors* in the attached Information Memorandum in respect of the bonds to be issued as set out in this Information Memorandum.

The bonds issued under the WLB Series have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any other jurisdiction. The bonds issued under the WLB Series will be offered and sold in the United States only to certain accredited and sophisticated investors in reliance on exemptions from the provisions of Section 5 of the Securities Act and in reliance on Section 3(c)(7) of the Investment Company Act and to certain persons in offshore transactions in reliance on Regulation S under the Securities Act. Any bond issued under the WLB Series may be subject to additional selling restrictions.

The bonds issued under the WLB Series may be listed or admitted to trading on the Official List of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) or, as the case may be, on such other or further stock exchanges or markets as may be agreed between the relevant issuer and the relevant placement agent. Any of the issuers may also issue unlisted bonds under the WLB Series that may not be admitted to trading on any market. Admission to the Official List of the SGX-ST and quotation of any bonds which are agreed at the time of issue thereof to be so listed on the SGX-ST are not to be taken as an indication of the merits of the issuer, the use of proceeds of the bonds, the bonds or the WLB Series. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in any information memorandum relating to the issue of any series of the bonds.

The bonds issued under the WLB Series may be rated or unrated. When an issue of bonds is rated, its rating will not necessarily be the same as the rating applicable to the other bonds issued under the WLB Series. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction, revision or withdrawal at any time by the assigning rating agency.

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Confidential Information Memorandum dated December 4, 2020

WLB Asset II B Pte. Ltd.

(Company Registration No. 201922790C)
(Incorporated in Singapore)

US\$24,700,000 3.95% Women's Livelihood Bonds due 2024

WLB Asset II B Pte. Ltd., a corporation incorporated under the laws of Singapore (the “**Issuer**” or “**we**”), is offering US\$24,700,000 in aggregate principal amount of 3.95% Women's Livelihood Bonds due 2024 (the “**Bonds**”). The Bonds will mature on December 10, 2024 (the “**Maturity Date**”). We will pay interest on the Bonds semi-annually in arrears on the interest payment dates falling on June 10 and December 10 of each year, commencing on June 10, 2021. The Bonds will be constituted by a trust deed (the “**Trust Deed**”) dated December 10, 2020 entered into among (i) the Issuer, (ii) Impact Investment Exchange Pte. Ltd. (“**Portfolio Manager**” or “**IIX**” as the context requires), (iii) The Bank of New York Mellon, London Branch in its capacity as the bonds trustee (the “**Bonds Trustee**”), and (iv) The Bank of New York Mellon, Singapore Branch, in its capacity as the security trustee (the “**Security Trustee**”). The obligations of the Issuer in respect of the Bonds are secured by a charge (the “**Security**”) made in favor of the Security Trustee over certain of the Issuer's bank accounts (the “**Charged Assets**”) maintained with DBS Bank Ltd. (“**DBS**”), also the “**Account Bank**”), but will otherwise constitute unsecured and unsubordinated limited recourse obligations of the Issuer, ranking pari passu among themselves and pari passu with all other unsecured and unsubordinated obligations of the Issuer. For a discussion of the Security, see “*Terms and Conditions of the Bonds*” (the “**Conditions**”). The Issuer will use the proceeds from the issue of the Bonds to, *inter alia*, make loans (the “**Loans**”) to each of (i) Chamroeun Microfinance Plc, (ii) Maxima Microfinance Plc, (iii) CV Evergreen Buana Prima Sandang, (iv) Negros Women for Tomorrow Foundation, Inc., (v) Katra Phytochem (Singapore) Pte. Ltd., (vi) Visage Holdings and Finance Private Limited, (vii) CreditAccess Philippines Financing Company, Inc, (viii) Centrum Microfinance Limited and such other borrowers as may be designated in accordance with the Conditions (together, the “**Borrowers**”), which are women-focused enterprises and/or microfinance institutions (“**MFIs**”) located in Asia.

The Issuer shall benefit from a partial guarantee provided by the U.S. International Development Finance Corporation (“**USIDFC**”) of up to 50% of the net losses of principal incurred by the Issuer as a result of non-payment of principal of the Loans (the “**Limited Guarantee**”, a copy of which is set out in Appendix C hereto), subject to certain qualification, concentration and other requirements, and subject to a maximum payment amount of US\$13,425,000. For the avoidance of doubt, the Bonds are not guaranteed by USIDFC or any other party and investors have no recourse to the Limited Guarantee or to USIDFC.

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

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

The Bonds will be obligations of the Issuer only. In particular, the Bonds will not be obligations of, or the responsibility of, or guaranteed by, any of USIDFC, the Portfolio Manager, the Placement Agents, the Bonds Trustee, the Security Trustee, the Account Bank, the Principal Paying Agent, the Registrar and Transfer Agent, the Corporate Services Provider (each as defined or identified herein), any company in the same group of companies as the Portfolio Manager

or the Placement Agents or any other party to the transaction documents. No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Bonds shall be accepted by any of the Portfolio Manager, the Placement Agents, the Bonds Trustee, the Security Trustee, the Account Bank, the Principal Paying Agent, the Registrar and Transfer Agent, the Corporate Services Provider, any company in the same group of companies as the Portfolio Manager or the Placement Agents or any other party to the transaction documents.

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

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

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Portfolio Manager



Placement Agents



NOTICE TO INVESTORS

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

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

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

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

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

This Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds may not be circulated or distributed, nor may the Bonds be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Please also refer to the section titled "*Transfer Restrictions and Investor Representations*" for restrictions on the sale and transfer of the Bonds.

Notification under Section 309B(1)(c) of the SFA: In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the Securities and Futures Act), that the Bonds are (A) prescribed capital markets products (as defined in the CMP Regulations 2018) and (B)

Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

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

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "EEA") or the United Kingdom (the "UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. No key information document required by Regulation (EU) No 1286/2014, as amended (the "PRIIPs Regulation") for offering or selling any in scope instrument or otherwise making such in scope instruments available to retail investors in the EEA or in the UK has been prepared. Offering or selling the Bonds or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

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

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

No representation or warranty, express or implied, is made or given by the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents or any of their respective affiliates, directors, employees or advisers as to the accuracy, completeness or sufficiency of the information contained in this Information Memorandum, and nothing contained in this Information Memorandum is, or shall be relied upon as a promise, representation or warranty by the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents or any of their respective affiliates, directors, employees or advisers. To the fullest extent permitted by law, the Portfolio Manager, the Bonds

Trustee, the Security Trustee and the Placement Agents and their respective affiliates, directors, employees and advisers do not accept any responsibility for the contents of this Information Memorandum and assume no responsibility for the contents, accuracy, completeness or sufficiency of any such information or for any other statement made or purported to be made by the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents or on their behalf in connection with the Issuer or the issue and offering of the Bonds. Each of the Portfolio Manager, the Bonds Trustee, the Security Trustee and the Placement Agents and their respective affiliates, directors, employees and advisers accordingly disclaim all and any liability whether arising in tort or contract or otherwise which they might otherwise have in respect of this Information Memorandum or any statement herein. None of the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents or any of their respective affiliates, directors, employees or advisers undertakes to review the financial condition or affairs of the Issuer after the date of this Information Memorandum nor to advise any investor or potential investor in the Bonds of any information coming to the attention of the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents. The Portfolio Manager, the Bonds Trustee, the Security Trustee and the Placement Agents and their respective affiliates, directors, employees and advisers have not independently verified any of the information contained in this Information Memorandum and can give no assurance that this information is accurate, truthful or complete. This Information Memorandum is not intended to provide the basis of any credit or other evaluation nor should it be considered as a recommendation by any of the Issuer, the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents or any of their respective affiliates, directors, employees or advisers that any recipient of this Information Memorandum should purchase the Bonds. For the avoidance of doubt, none of the Issuer, the Portfolio Manager, the Bonds Trustee, the Security Trustee or the Placement Agents are providing any legal, financial, business or tax advice in this Information Memorandum. It is recommended that persons proposing to subscribe for or purchase any of the Bonds consult their own legal and other advisers before subscribing for or purchasing the Bonds. Prospective purchasers of the Bonds are advised to consult their own tax advisers concerning the tax consequences of the acquisition, ownership or disposition of the Bonds. In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the offering, including the merits and risks involved. See “*Risk Factors*” for a discussion of certain factors to be considered in connection with an investment in the Bonds.

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

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

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

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

NOTICE TO AND REGARDING U.S. INVESTORS

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

Various requirements apply to holders of the Bonds that are U.S. persons (each, a “**U.S. Person**”), as defined under Regulation S of the Securities Act and within the meaning of the Investment Company Act, and to persons purchasing or holding a beneficial interest in the Bonds that are U.S. Persons. Notably, each such U.S. Person must be both a qualified institutional buyer as defined in Rule 144A under the Securities Act and a qualified purchaser under the U.S. Investment Company Act of 1940, as amended (a person meeting both of these requirements is sometimes referred to as a “**QIB/QP**”).

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

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

FORCED SALE OF SECURITIES AND REFUSAL TO TRANSFER

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

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

INVESTMENT COMPANY ACT

In reliance on Section 3(c)(7), the Issuer has not registered under the U.S. Investment Company Act of 1940 (the “**Investment Company Act**”) as an investment company. To rely on Section 3(c)(7), the Issuer must have a “reasonable belief” that all purchasers of Bonds who are U.S. Persons (including subsequent transferees) are Qualified Purchasers at the time of their purchase of Bonds. The Issuer will establish a reasonable belief for purposes of Section 3(c)(7) based upon the representations made and deemed made by certain purchasers of the Bonds as set forth above, the covenants and undertakings of the Issuer referred to below and certain representations and covenants of the Placement Agents. In addition, until 40 days after the commencement of the offering of Bonds pursuant to the Information Memorandum, an offer or sale of the Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with an exemption from the registration requirements of the Securities Act.

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

U.S. VOLCKER RULE

Section 13 of the U.S. Bank Holding Company Act of 1956, as amended, together with the rules, regulations and published guidance thereunder (the “**BHC Act**”), including the final rule adopted on December 10, 2013 by the U.S. Board of Governors of the Federal Reserve System, the U.S. Office of the Comptroller of the Currency, the U.S. Federal Deposit Insurance Corporation, the SEC and the U.S. Commodity Futures Trading Commission, commonly known as the “Volcker Rule,” generally prohibits certain investors that are “banking entities” from engaging in proprietary trading, or from acquiring, retaining an “ownership interest” (as defined therein) in, sponsoring or having certain relationships with “covered funds”, unless pursuant to an exclusion or exemption under the Volcker Rule. The following would be considered a “banking entity” subject to the Volcker Rule: (i) any U.S. insured depository institution (within the meaning of such term in Section 13(h)(1) of the BHC Act); (ii) any company that controls a U.S. insured depository institution; (iii) any non-U.S. institution that is treated as a bank holding company for purposes of Section 8 of the International Banking Act of 1978 (i.e., a non- U.S. company that maintains a branch, agency or commercial lending office in the U.S.); and (iv) any affiliate or subsidiary of the foregoing under the BHC Act, regardless of geographic location, other than a “covered fund” that is not itself a banking entity under clauses (i), (ii) or (iii) above.

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

REMINDER NOTICES

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

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

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

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

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

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

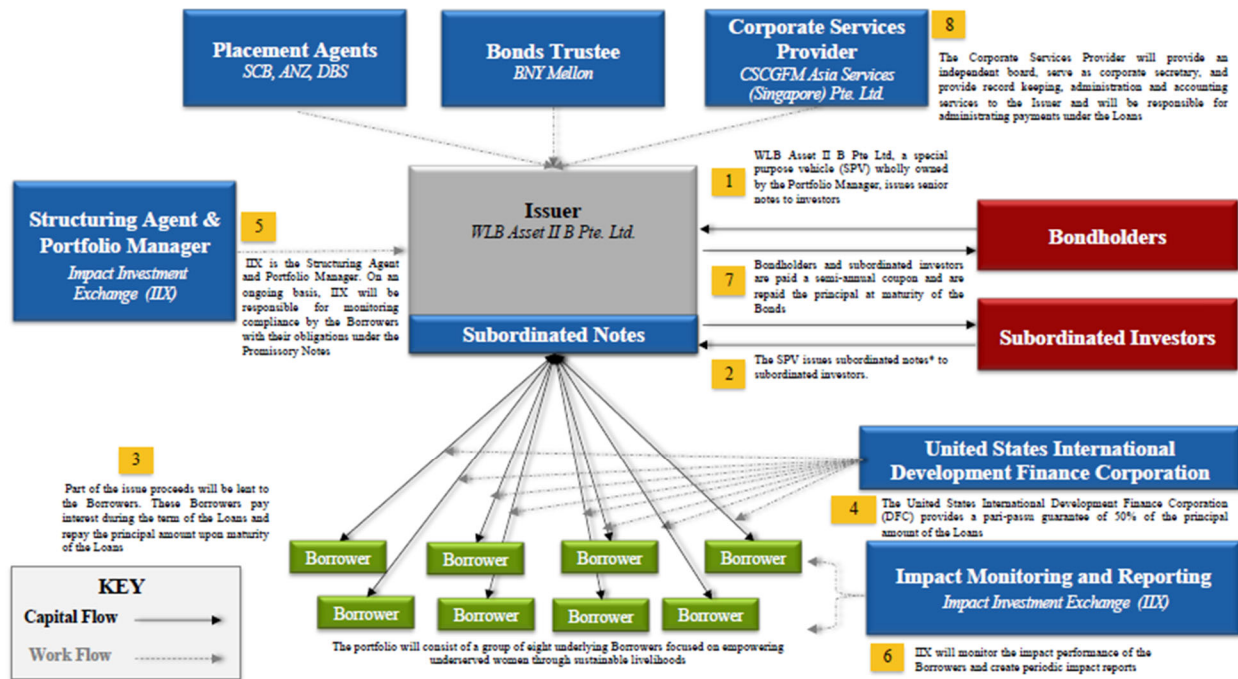
For more information on our risk factors that could cause our actual results to differ from the results predicted in these forward-looking statements, please see the section captioned "*Risk Factors*" in this Information Memorandum.

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OVERVIEW OF BOND STRUCTURE AND OFFERING TERMS

OVERVIEW OF THE BOND STRUCTURE



- (1) The Issuer, which is wholly owned by the Portfolio Manager, issues US\$24,700,000 in aggregate principal amount of Bonds.
- (2) The Subordinated Investor will provide US\$3,000,000 (as such principal amount may be increased pursuant to the terms thereof) of Subordinated Indebtedness, serving as first-loss capital for the Bonds. The Subordinated Investor will be paid a semi-annual coupon and will be repaid the principal at maturity of the Bonds, to the extent funds are available after making required payments to the Bondholders.
- (3) The proceeds of the Bonds will be used to make Loans to the Borrowers, to pay related fees and expenses and to fund the Debt Service Reserve Account.
- (4) USIDFC provides a partial guarantee of up to 50% of the net losses of principal incurred by the Issuer as a result of non-payment of principal of the Loans, subject to certain qualification, concentration and other requirements, and subject to a maximum payment amount of US\$13,425,000. See Appendix C hereto for a form of the Limited Guarantee.
- (5) On an ongoing basis, the Portfolio Manager will be responsible for monitoring compliance by the Borrowers with their obligations under the Loans.
- (6) The Portfolio Manager will monitor the impact performance of the Borrowers and create periodic impact reports.
- (7) Bondholders will be paid a semi-annual coupon and will be repaid the principal at maturity of the Bonds, unless previously redeemed or purchased and cancelled as provided in the Conditions, in priority to payments to the Subordinated Investor.
- (8) The Corporate Services Provider will provide an independent board, serve as corporate secretary, and provide record keeping, administration and accounting services to the Issuer and will be responsible for administering payments under the Loans.
- (9) The Bonds Trustee will hold the Issuer's covenant to pay principal and interest on the Bonds on trust for the Bondholders and will act on behalf of the Bondholders in certain situations.
- (10) The Portfolio Manager will receive any surplus funds as a deferred performance fee at maturity of the Bonds.

THE OFFERING

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

ISSUER	WLB Asset II B Pte. Ltd.
BONDS OFFERED	US\$24,700,000 aggregate principal amount of 3.95% Women’s Livelihood Bonds due 2024.
ISSUE PRICE.....	100.0%.
INTEREST RATE.....	Each Bond shall bear interest on its principal amount from and including the Closing Date to, but excluding, its date of redemption at the rate of 3.95 per cent per annum, payable semi-annually in arrears on each date falling on the 10 th day of June and December of each year, commencing on June 10, 2021.
MATURITY DATE	The Bonds will mature on December 10, 2024 (the “ Maturity Date ”) unless previously redeemed or purchased and cancelled. On the Maturity Date and, without duplication, on the date falling three years after the Maturity Date (the “ Long-Stop Date ”), the Issuer shall pay to the Bondholders the principal amount of the Bonds.
MANDATORY SPECIAL REDEMPTION	<p>Certain circumstances, such as if a Loan is accelerated due to the occurrence of an event of default and is not eligible to be re-lent, shall constitute a Special Redemption Event.</p> <p>The Issuer shall, on each Special Redemption Date, apply amounts standing to the credit of the relevant sub-account of the Recovery Account in the order specified in Condition 8.2(b) of the Terms and Conditions of the Bonds. See “<i>Terms and Conditions of the Bonds – Mandatory Special Redemption Event and Post-Maturity Payment.</i>”</p>
USE OF PROCEEDS	Proceeds will be used to (i) extend loans to the Borrowers named herein, all of which are women-focused enterprises or MFIs benefitting women in Cambodia, India, Indonesia, and the Philippines (the “ Loans ”), (ii) make payments due to Permitted Hedging Counterparties (other than a Defaulting Hedging Counterparty) under Permitted Hedging Agreements, (iii) fund costs, fees and expenses payable by the Issuer under the Limited Guarantee, Hedging Arrangements and to service providers (e.g., fees payable to the Bonds Trustee, the Corporate Services Provider, the Portfolio Manager, and other third parties) and (iv) fund the Debt Service Reserve Account.
LOANS.....	The Loans are non-convertible debt instruments. They will have an initial term of just under four years and will contain customary provisions, including representations and warranties, reporting obligations, and indemnification protections. In addition, the Loans will contain affirmative and negative covenants that will, among other things, limit each Borrower’s ability to enter into certain business transactions, such as consolidations, mergers and sales of assets, and require each Borrower to maintain certain financial standards during the term of the Loan.

PORTFOLIO MANAGER..... The Portfolio Manager will be responsible for, among other portfolio management activities, (i) selecting and evaluating potential Borrowers, including overseeing due diligence and credit review processes, (ii) negotiating terms and conditions of the Loans on behalf of the Issuer, (iii) monitoring Borrowers' compliance with their obligations under the Loans, including taking appropriate actions or initiating enforcement actions on behalf of the Issuer as necessary, (iv) preparing reports on behalf of the Issuer for Bondholders and for any exchange on which the Bonds may be listed, and (vi) managing all reporting, monitoring and compliance obligations of the Issuer under the terms of the Limited Guarantee.

The Portfolio Manager shall receive (i) a one-time structuring fee of 1.00% of the aggregate amount of capital raised through the sale of the Bonds and the Subordinated Indebtedness, (ii) a one-time contingent fee of up to US\$50,000 to the extent funds are received from the Monetary Authority of Singapore with respect to the Asian Bond Grant Scheme, (iii) annual fees of 0.75% of the aggregate amount of capital raised through the sale of the Bonds and the Subordinated Indebtedness (comprising an administrative fee of 0.25% of such amount, (b) a financial monitoring fee of 0.25% of such amount, and (c) an impact monitoring fee of 0.25% of such amount) and (iv) reimbursement for reasonable out-of-pocket expenses. In addition, the Portfolio Manager shall receive as a deferred incentive fee 100% of any available surplus funds on the Maturity Date.

DEBT SERVICE RESERVE ACCOUNT..... The Issuer shall open and maintain a US dollar-denominated account with the Account Bank (the "**Debt Service Reserve Account**"). On the date that is 90 days after the Closing Date, the Issuer shall deposit into the Debt Service Reserve Account an amount equal to US\$230,000.

SECURITY..... The Bonds will be secured by a first-ranking charge over the Funding Account, the Debt Service Reserve Account, the Collection Account, the USIDFC Reserve Account and the Recovery Account (together the "**Accounts**") pursuant to the deed of charge dated December 10, 2020 (the "**Charge Over Accounts**") between (i) the Issuer, as chargor, and (ii) The Bank of New York Mellon, Singapore Branch as security trustee (the "**Security Trustee**").

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

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

LIMITED GUARANTEE The Bonds are not guaranteed. This offering by the Issuer is the second of four anticipated offerings of Women's Livelihood Bonds in the WLB Series by four issuers. Each of the issuers, WLB Asset II Pte. Ltd., the

Issuer, WLB Asset II C Pte. Ltd. and WLB Asset II D Pte. Ltd. shall benefit from a partial guarantee provided by the USIDFC of 50% of the net losses of principal incurred by each such issuer as a result of non-payment of principal on the qualifying loans made by such issuer, subject to certain qualification, concentration and other requirements, and subject to a maximum guarantee amount with respect to each issuer and a maximum cumulative amount of all loan disbursements made under all such qualifying loans of US\$100 million (the “**Limited Guarantee**”, a copy of which is set out in Appendix C hereto), which constitutes full faith and credit obligations of the United States. The remaining 50% will be borne by the respective issuer, to the extent it has sufficient funds and, to the extent it does not, such losses will be for the account of the holders of the bonds to be issued by each such issuer. Holders of bonds covered by the Limited Guarantee have no direct recourse to the Limited Guarantee. The Issuer of the Bonds offered hereunder will benefit from the Limited Guarantee with respect to the Loans, subject to certain qualification, concentration and other requirements, and to a maximum payment amount of US\$13,425,000. The cumulative aggregate amount of the Bonds, the bonds previously offered by WLB Asset II Pte. Ltd., and the anticipated offerings of bonds by the Issuer, WLB Asset II C Pte. Ltd. and WLB Asset II D Pte. Ltd. is not expected to exceed US\$150 million. There can be no assurance that the anticipated offerings by WLB Asset II C Pte. and WLB Asset II D. Pte. Ltd. will occur.

FIRST LOSS PROTECTION The Women’s Catalyst Fund, L.P. (the “**Subordinated Investor**”) will lend to the Issuer an aggregate principal amount of US\$3,000,000 (as such principal amount may be increased pursuant to the terms thereof), the principal of which cannot be repaid until such time as all obligations of the Bonds with respect to payments of principal and interest, when due, have been satisfied (the “**Subordinated Indebtedness**”). See “*Description of Certain Material Agreements — The Subordinated Indebtedness.*”

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

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

The Bonds are being offered in Singapore only (i) to an institutional investor (as defined in the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and

Futures (Classes of Investors) Regulations 2018 of Singapore, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Please refer to the section titled “*Transfer Restrictions and Investor Representations*” for restrictions on the sale and transfer of the Bonds.

EVENTS OF DEFAULT.....	For a description of certain events that will permit the Bonds to become immediately due and payable at their principal amount plus accrued interest, see “ <i>Terms and Conditions of the Bonds — Events of Default.</i> ”
REPORTING OBLIGATIONS	Usual and customary for transactions of this nature, including an initial loan schedule, semi-annual loan performance reports, annual audited accounts, semi-annual unaudited accounts and semi-annual certificates of compliance to be provided by the Issuer to the Bonds Trustee. Additionally, each Borrower shall provide quarterly data to the Portfolio Manager to allow it to perform an annual impact assessment on the Borrower (as required under the terms of the Loans). The Issuer shall provide the Bonds Trustee with copies of the Portfolio Manager’s semi-annual reports and annual reports in relation to the Borrowers.
DENOMINATION.....	The Bonds will be issued only in denominations of US\$250,000 and integral multiples of US\$1,000 in excess thereof.
LISTING.....	We intend to apply for the listing of, and quotation for, the Bonds on the SGX-ST. However, we cannot assure you that such listing will be obtained or, if obtained, the Bonds will remain so listed. If a listing is obtained, the Bonds would be traded on the SGX-ST in a minimum board lot size of at least 200,000 Singapore Dollars (or its equivalent in U.S. dollars) for so long as such Bonds are listed on the SGX-ST and the rules of the SGX-ST so require. Whether or not a listing is obtained, the Bonds will be issued only in denominations of US\$250,000 and integral multiples of US\$1,000 in excess thereof.
CLOSING DATE	The date on which the Bonds are issued, which is expected to be December 10, 2020.
PLACEMENT AGENTS	ANZ, Standard Chartered Bank and DBS
BONDS TRUSTEE	The Bank of New York Mellon, London Branch
SECURITY TRUSTEE.....	The Bank of New York Mellon, Singapore Branch
REGISTRAR AND TRANSFER AGENT	The Bank of New York Mellon SA/NV, Luxembourg Branch
PRINCIPAL PAYING AGENT.....	The Bank of New York Mellon, London Branch
ACCOUNT BANK	DBS Bank Ltd.
AUDITOR	Crowe Horwath First Trust LLP
CORPORATE SERVICES PROVIDER	CSCGFM Asia Services (Singapore) Pte. Ltd.
GOVERNING LAW OF THE BONDS AND THE TRUST DEED.....	English law
GOVERNING LAW OF THE	

SECURITY..... Singapore law

LEGAL ENTITY IDENTIFIER..... 549300MGGSM9XCNTYR69

ISIN..... XS2271198371 (Rule 144A)
XS2271198611 (Regulation S)

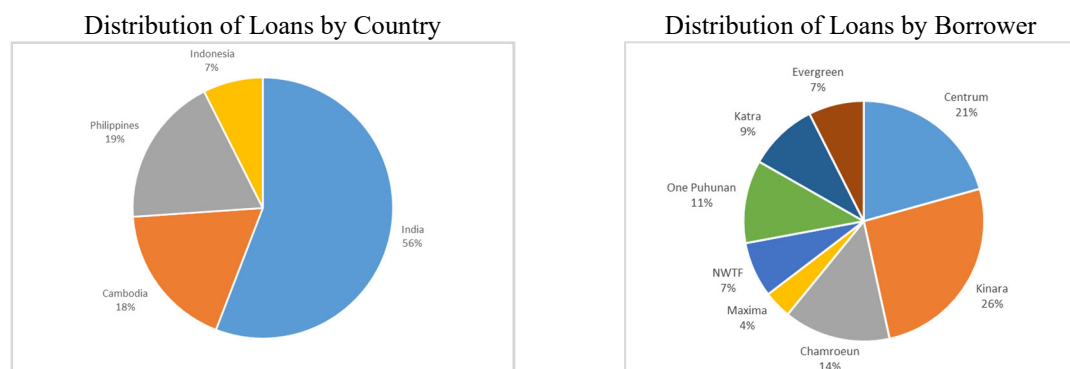
COMMON CODE..... 227119837 (Rule 144A)
227119861 (Regulation S)

OVERVIEW OF THE BORROWERS

Unless otherwise indicated, information contained in this Information Memorandum concerning the Borrowers or their industries is based on information provided by the Borrowers, as well as various other sources, including independent industry publications, reports, surveys and forecasts. We have not independently verified the accuracy or completeness of the information provided by the Borrowers or contained in these industry publications, reports, surveys and forecasts. Unless we state otherwise, our presentation of the Borrowers' financial condition and results of operations is based on audited financial statements provided by the Borrowers. Information is provided for the fiscal years ("FY") 2017, 2018 and 2019. The Borrowers and any publications, reports, surveys and forecasts on which information is based generally indicate that they have obtained their information from sources believed to be reliable, but do not guarantee the accuracy and completeness of their information. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. The industries in which we and the Borrowers operate are subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Risk Factors" and elsewhere in this Information Memorandum. These and other factors could cause results to differ materially from those expressed by the Borrowers or contained in these publications, reports, surveys and forecasts.

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

The Issuer intends to make Loans to eight Borrowers from four countries. The Borrowers operate in four sectors: microfinance, small to medium enterprise lending, ethical apparel and sustainable agriculture. In aggregate, the Loans are expected to impact approximately 175,000 to 180,000 women and girls. The maximum exposure to any single Borrower is expected to be approximately 26% of the portfolio, to any single country is expected to be approximately 56% of the portfolio, and to any single sector is expected to be approximately 54% of the portfolio. Key features of the Borrowers and of the portfolio are presented below.



The Issuer's criteria for Loan allocations include, *inter alia*, that no more than 60% of the aggregate amount of the Loans may be allocated to any one country, that no more than 25% of the aggregate amount of the Loans may be allocated to Cambodia and that no more than 30% of the aggregate amount of the Loans may be allocated to any one Borrower. The Borrower selections above meet these criteria.

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

SUMMARY INFORMATION OF THE BORROWERS

		Micro-Finance Institutions and Small to Medium Enterprise Lenders						Enterprises		
Features		Centrum	Kinara Capital	Chamroeun	Maxima	NWTF	One Puhunan	Katra Singapore ⁽¹⁾	Katra India ⁽¹⁾	Evergreen Group
Issuer Exposure	Expected Loan Amount (US\$)	5,550,000	6,950,000	3,850,000	1,000,000	2,000,000	3,000,000	2,500,000	-	2,000,000
	Proportion of total %	21%	26%	14%	7%	7%	11%	9%	NA	7%
	Security	Letter of Comfort from parent; Client receivables	Client receivables	Unsecured	Unsecured	Unsecured	Letter of Comfort from Parent	Floating charge over assets; Promotor guarantee; Corporate guarantee	NA	Factory, Land, Receivables, Personal guarantee, Corporate guarantee
	Country of Operations	India	India	Cambodia	Cambodia	Philippines	Philippines	Singapore	India	Indonesia
Operational Maturity	Legal incorporation status	NBFC-NDMFI	NBFC-NDSI	MFI	NBFC	Non-profit MFI	MFI	Private limited company	Private limited company	General Partnership
	Years in Operation	4	24	9	20	36	6	0	24	7
	Number of borrowers (active)	224,546	27,820	33,060	5,874	563,201	260,105	NA	NA	NA
	Total staff	938	1,250	243	171	3,367	1,920	0	194	654
Financial Stability	Results as of	FY Mar 2020 AFS	FY Mar 2020 AFS	2019 AFS	2019 AFS	2019 AFS	FY Mar 2020 AFS	FY Mar 2020 Prelim AFS	FY Mar 2020 Prelim AFS	2019 MGMT
	Total Assets (US\$ millions)	68.9	132.3	26.1	24.1	109.6	53.4	11.6	20.4	7.8
	Gross Loan Portfolio (FI) / Total Revenue (Ent.) (US\$ millions)	59.3	111.4	21.2	21.4	82.7	46.0	-	7.9	14
	Net Profit (US\$ millions)	0.7	2.5	1.2	0.5	6.3	0.8	-	0.4	1.4
	Debt/Equity (x)	6.0	3.7	4.1	1.7	0.1	6.3	-	2.3	0.5
	PAR30 ⁽²⁾	0.4%	4.5% ⁽³⁾	0.7%	1.0%	2.5%	5.2%	NA	NA	NA
Impact	Social Return on Investment ⁽⁴⁾ (x)	4.67	5.86	2.42	2.80	3.60	3.45	-	4.82	2.22
	Average loan size (US\$)	264	4,005	640	3,647	147	176	NA	NA	NA
	Populations Served: % Women	100%	100%	81%	91%	100%	100%	-	23%	80%
	Total female beneficiaries impacted by the Loans	81,800	2,200	10,600	2,200	32,500	38,600	NA	11,500	6,400

⁽¹⁾ Katra Singapore a wholly-owned subsidiary of Katra India. The Loan will be made to Katra Singapore. Proceeds will be used to pre-purchase carotenoid extract products from Katra India.

⁽²⁾ PAR30 refers to the percentage (by value) of the Borrower's gross loan portfolio of client receivables which is overdue for 30 or more days as of the date of measurement.

⁽³⁾ Kinara Capital does not report PAR30. This figure represents PAR90, i.e., the percentage (by value) of Kinara's gross loan portfolio of client receivables which is overdue for 90 or more days as of the date of measurement.

⁽⁴⁾ Social Return on Investment ("SROI") is a measure of how much social and environmental impact, in dollar figures, is created for every dollar invested into the organization and/or program. The SROI of each Borrower is calculated by dividing the social value of impact created through primary outcomes by the total amount of investment capital being lent to that Borrower.

RISK FACTORS

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

I. RISKS RELATED TO THE ISSUER AND OTHER TRANSACTION PARTIES

RISKS RELATING TO THE ORGANIZATIONAL STRUCTURE OF THE ISSUER

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

LIMITED RECOURSE OF BONDHOLDERS

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

RISKS RESULTING FROM THE NON-PETITION RESTRICTIONS

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

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

RISKS RELATED TO INSOLVENCY PROCEEDINGS

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

The commencement of insolvency proceedings against the Issuer may entitle creditors to terminate contracts with the Issuer and claim damages for any loss arising from such early termination. The commencement of such proceedings may result in the Issuer's assets being realized and applied to pay the fees and costs of the liquidator, debts preferred by law and debts payable in insolvency. There can be no assurance that the Issuer will be able to pay amounts owed to the Bondholders on time, in full or at all. However, it should be noted that following the passing and entry into force of the Insolvency, Restructuring and Dissolution Act 2018 (No. 40 of 2018) ("**IRD Act**"), creditors are prohibited from terminating, amending or claiming an accelerated payment or forfeiture of the term under any agreement (including a security agreement) (save for eligible financial contracts prescribed under the Insolvency, Restructuring and Dissolution (Prescribed Contracts under Section 440) Regulations 2020) with a company that commences certain insolvency or rescue proceedings (and before the conclusion of such proceedings), by reason only that the proceedings are commenced or that the company is insolvent. Creditors may still do so if other events of default have occurred. The extent to which the provisions in the IRD Act will impact this transaction will depend on the extent to which transactions of this nature could be exempted from the application of such provisions. If no exemption is available, a party to the relevant agreement may apply to court to disapply or limit the application of the prohibition by satisfying the court that the operation of the prohibition would likely cause the applicant significant financial hardship.

Additionally, under the insolvency laws of Singapore, certain transactions entered into by the Issuer may be set aside by the Singapore courts. These include transactions in situations of undue preferences and transactions at an undervalue. The relevant period for such transactions will depend on the type of transaction in question.

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

Certain claims may rank ahead of a floating charge

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

Delays may arise from moratoriums

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

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

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

Judicial manager may dispose of security

If a judicial manager is appointed, the judicial manager would be able to dispose of the Charged Assets and this could adversely affect the Issuer's ability to meet its payment obligations to the Bondholders. The costs and expenses of judicial management rank ahead of the claims of the floating chargee. In relation to judicial management or company-initiated creditor schemes of arrangement, the court would also have the power under the IRD Act to order that, subject to certain safeguards, fresh rescue financing be secured by a security interest ranking equal to or higher than existing security interests. This means that the court may grant an order to the effect that the rescue financier has security that ranks equal to or higher than the security granted to the Security Trustee.

The court may cram down on an entire class of creditors

In respect of company-initiated creditor schemes of arrangement, the IRD Act provides for cram-down provisions where there is a dissenting class of creditors. The court may, notwithstanding one or more classes of dissenting creditors, approve a scheme provided an overall majority in number representing 75% in value of the creditors meant to be bound by the scheme have agreed to it and provided that the scheme does not unfairly discriminate between classes of creditors and is fair and equitable to each dissenting class. In such a scenario, Bondholders may be bound by a scheme of arrangement to which they may have dissented. However, there is a safeguard in that no creditor in a dissenting class should receive an amount lower than what that creditor is estimated by the court to receive if the scheme was not passed and in this regard there are provisions to help ensure that security holders receive the value of their secured claims.

Future changes in law

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

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

The Issuer is not required to be licensed or authorized under any current securities, commodities or banking laws of Singapore as the country of its incorporation or similar laws of other jurisdictions. Regulatory authorities in Singapore or in one or more other jurisdictions may subsequently take a contrary view regarding the applicability of any such laws to the Issuer. In such case, the Issuer may be subject to licensing or authorization requirements, fines or other measures imposed on the conduct of activities subject to license or authorization requirements in the relevant jurisdictions. Depending on the actual authorization requirement, the amount of fines or the impact and gravity of any other measure for the Issuer, the Issuer may not be able to comply with some or all of such requirements, fines or measures. In any such case, the Issuer may be subject to adverse impacts on its business, including also the requirement

to cease its business activities or parts thereof, or on the fulfillment of its obligations under the Bonds. Bondholders are thus exposed to the risk of suffering a partial or total loss on their investment in the Bonds.

RISKS RELATING TO THE U.S. VOLCKER RULE

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

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

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

RISKS RELATING TO CONFLICTS OF INTEREST

The interests of the Issuer, the Portfolio Manager and the Bondholders may conflict. The Portfolio Manager, its affiliates and their respective management teams may provide fund management, financing, advisory or other services to businesses (including other women-focused enterprises and MFIs) that compete with the Borrowers and their affiliates, or may provide services to the Borrowers and their affiliates not in connection with this offering. Certain of the Borrowers have received loans funded with the proceeds of prior issuances of bonds under the WLB Series. One of the Portfolio Manager’s key officers is a member of the board of directors of an entity that holds a minority interest in one of the Borrowers. The Portfolio Manager will charge the Issuer certain fees which are payable and non-refundable regardless of whether or not the Loans are disbursed and regardless of the performance of the Borrowers, the Loans and the Bonds.

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

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

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

RISKS RELATING TO THE RELIANCE ON THIRD PARTIES

The Issuer will be a party to contracts with a number of third parties. The ability of the Issuer to meet its obligations under the Bonds will depend upon the performance by these third parties of their services in relation to the issue of Bonds and fulfillment of their respective obligations thereunder. In particular, the Issuer depends on the Portfolio Manager to select the Borrowers, verify their creditworthiness, evaluate their organizational structure, business,

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

RISKS RELATING TO THE PORTFOLIO MANAGER

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

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

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

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

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

NO PERSON IS OBLIGATED TO UPDATE THIS INFORMATION MEMORANDUM

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

II. RISKS RELATING TO THE PERFORMANCE OF THE LOANS

RISKS RELATING TO THE CREDIT RISK OF THE BORROWERS

The Bonds represent a claim against the Issuer only. The Bonds do not represent a claim against the Borrowers. However, as the ability of the Issuer to meet its payment obligations under the Bonds depends on its receipt of payments under the Loans, Bondholders will be exposed to the credit risks of the Borrowers. A default by one or more Borrowers will adversely affect the Issuer's ability to meet its payment obligations under the Bonds and, as a result of any such default, Bondholders may suffer a partial or total loss of their investment in the Bonds.

RISKS ARISING FROM ACTIVITIES OF THE CLIENTS OF THE BORROWERS

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

RISKS RELATING TO THE REGULATORY ENVIRONMENT AND TRANSPARENCY OF THE BORROWERS

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

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

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

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

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

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

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

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

RISKS RELATING TO THE BORROWERS' INFORMATION

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

RISKS RELATED TO THE RAPID GROWTH OF MANY OF THE BORROWERS

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

RISKS ARISING FROM FOREIGN CURRENCY EXCHANGE LAWS

In times of economic, political or social crisis, there is a risk that governments may decide to suspend or postpone certain of their services or obligations for a fixed period of time or until the end of certain force majeure events, e.g.

during war or natural disasters. Such moratoriums may in particular apply to banking transactions on foreign loans or foreign exchange transactions. It is possible that governments in jurisdictions where the Borrowers are domiciled or operate may impose such moratorium or similar actions, which may lead to a suspension or postponement of payments under the micro-loans to the Borrowers or of payments due under the Loans to the Issuer. Any foreign exchange or banking moratorium or actions with similar effects imposed in countries where Borrowers are domiciled may therefore lead to a default under the Loans. Bondholders may, as a result, lose the whole or part of their investment in the Bonds.

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

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

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

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

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

Additional specific government actions in certain developing countries that could elevate the risk of the Borrowers located there being able to service the Loans include foreign investment controls and adverse changes in regulatory structures and anti-usury laws. MFIs, including certain of the Borrowers, typically charge higher interest rates than commercial banks due to higher operating costs. Governments have in the past, and may in the future, impose anti-usury laws or usury ceilings on interest rates that could lower the returns on the loans they make, could make it financially unviable for the Borrowers to operate and/or could render some of the loans they make unenforceable. Furthermore, the countries in which the Borrowers are located may have less certain and/or developing regulatory environments, with the corresponding risks of potential changes in law, less certain administration of law and/or less certain enforceability of judgments. There may be no treaty or agreement between a country in which a Borrower operates and Singapore or the United Kingdom stipulating the recognition and/or enforcement in one country of court rulings passed in the other country. As a result, it may be difficult or impossible to enforce the judgments of English

courts, or Singapore courts following English law, in any country in which a Borrower operates that has no such treaty or agreement.

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

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

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

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

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

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

Political campaigns, elections and other developments in Indonesia have in the past and may continue to bring a degree of political and social uncertainty to Indonesia. Indonesia continues to face various socio-political issues and has, from time to time, experienced political instability and social and civil unrest. These events have resulted in political instability, as well as general social and civil unrest on certain occasions in recent years. Indonesia also has a history of demonstrations and social protests concerning Indonesian politics as well as in response to specific issues, including fuel subsidy reductions, privatization of state assets, anticorruption measures, minimum wage, decentralization and provincial autonomy, actions of former government officials and their family members, potential increases in

electricity tariffs, human rights violations and international geopolitical events. Recently, Indonesia has experienced social and civil unrest in relation to the government's adoption of measures reducing regulation on business at the expense of workers' rights and environmental protections. There can be no assurance that demonstrations or protests will not occur in the future or that such events will not adversely affect the business or operations of the Borrower headquartered in Indonesia. Additionally, Indonesian legal principles relating to the rights of debtors and creditors, or their practical implementation by Indonesian courts, may differ materially from those that would apply within the jurisdiction of the United States, the European Union member states or the United Kingdom, which could materially and adversely affect our ability to enforce the Loans against any Borrower having operations in Indonesia.

The Indian economy has also been affected by economic uncertainties, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture and various other factors. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes upon the Indian economy. Conditions outside India, such as a recession or decline in the economic growth of other major countries, especially the United States and China, have an impact on the growth of the Indian economy, and the government's policies may change in response to such conditions. Additionally, an increase in trade deficit, a downgrade in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively impact interest rates and liquidity, which could adversely impact the Indian economy and the business of any Borrower having operations in India.

The Philippines has from time to time experienced severe political and social instability, including acts of political violence. In particular, since the beginning of the term of President Rodrigo R. Duterte, thousands of alleged drug dealers and users have been killed in police operations or killed by supposed vigilantes. There is no guarantee that future events will not cause political instability in the Philippines. Such instability may disrupt the country and its economy and could materially and adversely affect the business of any Borrower having operations in the Philippines.

RISKS RELATING TO THE CURRENT COVID-19 PANDEMIC

In December 2019, a novel strain of coronavirus (also known as COVID-19) was reported to have surfaced in Wuhan, China. On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 to be a pandemic. The COVID-19 pandemic has since spread to over 200 countries and territories, including Cambodia, India, Indonesia, and the Philippines. The current COVID-19 pandemic and preventative or protective actions that governmental authorities around the world have taken to contain the spread of COVID-19, including social distancing, office and school closures, travel restrictions and the imposition of quarantines, have resulted in a period of economic and social disruption, including restrictions on business activity and the movement of people comprising a significant portion of the world's population. Such measures, and rapid increases of severe cases and deaths where such measures fail or are lifted prematurely, may cause unprecedented economic disruption in Cambodia, India, Indonesia, and the Philippines and in the rest of the world. Further, there is currently substantial medical uncertainty regarding COVID-19 and no government-certified treatment or vaccine available. The ongoing effects of the COVID-19 pandemic may present significant hardships to the Borrowers and the Borrowers' clients, and may severely impair the Borrower's ability to meet their payment and other obligations under the Loans, which would in turn affect the Issuer's ability to fulfill its payment and other obligations under the Bonds. Bondholders may, as a result, lose the whole or part of their investment in the Bonds.

RISKS RELATING TO DEFAULT BY THE BORROWERS

If any of the Borrowers defaults on its Loan, Bondholders are likely to suffer a partial or total loss of their investment in the Bonds. The recovery process may extend beyond the Maturity Date until the Long-Stop Date, and there can be no assurance that amounts recovered during this period, if any, will be sufficient to discharge the Issuer's payment obligations under the Bonds.

RISKS RELATING TO THE MATURITY OF THE LOANS

The Loans are on average of longer duration than most loans made to the Borrowers by banks. Loans of longer duration may carry more risk, due to the longer period of time during which an event of default under the relevant Loan or other event that will allow the Issuer (or the Portfolio Manager on its behalf) to accelerate the related Loan may occur. As a result, the Loans may carry more risk than previous loans made to the Borrowers. A Borrower's ability to meet

its obligations under a prior loan is not indicative of its ability to meet its obligations under the Loans. A default by one or more Borrowers will adversely affect the Issuer's ability to meet its payment obligations under the Bonds and, as a result of any such default, Bondholders may suffer a partial or total loss of their investment in the Bonds.

RISKS RELATING TO LOAN DISBURSEMENTS

Loan disbursements pursuant to the Loans will be made promptly upon receipt of the proceeds from the issue of the Bonds. However, if any Loan disbursements have not been made within 90 days after the Closing Date, an amount corresponding to such undisbursed Loans shall be used to redeem an equivalent principal amount of Bonds at par without interest. Any such redemption may result in Bondholders forgoing interest on that portion of the Bonds until redemption.

RISKS RELATING TO DISCLOSURE AND ACCOUNTING STANDARDS

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

III. RISKS RELATED TO THE BONDS

THE BONDS MAY NOT BE A SUITABLE INVESTMENT FOR ALL INVESTORS

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

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

INTEREST RATE RISK

Interest rate risk is one of the central risks of interest-bearing bonds. The interest rate level on the money and capital markets may fluctuate on a daily basis and cause the value of the bonds to change just as frequently. The interest rate risk is a result of the uncertainty with respect to future changes of the market interest rate level. As the market interest rate changes, the price of bonds also changes, but in the opposite direction. If the market interest rate increases, the price of bonds typically falls, until the yield of such bonds is approximately equal to the market interest rate. If the

market interest rate falls, the price of bonds typically increases, until the yield of such bonds is approximately equal to the market interest rate. The market interest level is strongly affected by public budget policy, the policies of central banks, the overall economic development and inflation rates, as well as by foreign interest rate levels and exchange rate expectations. The importance of individual factors cannot be directly quantified and may change over time.

NO ASSURANCE FOR SUITABILITY FOR CERTAIN INVESTMENT CRITERIA

There is currently no market consensus on what precise attributes are required for a particular activity to be defined as “sustainable,” and therefore no assurance can be provided to investors that the Issuer’s activities, including the Loans, will meet all investor expectations regarding environmental performance. Although the Issuer’s activities, including the Loans, will be selected in accordance with the categories recognized by the International Capital Market Association’s Sustainability Bond Guidelines, and will be developed in accordance with relevant legislation and standards, there can be no guarantee that the Issuer’s activities, including the Loans, will deliver the environmental benefits as anticipated, or that adverse environmental and/or social impacts will not occur during the design, construction, commissioning and operation of the Issuer’s activities, including the Loans. In addition, where any negative impacts are insufficiently mitigated, the Issuer’s activities, including the Loans, may become controversial, and/or may be criticized by activist groups or other stakeholders.

In connection with the offering of the Bonds, IIX Global Charitable Limited has issued an opinion regarding compliance with the International Capital Market’s Association’s Social Bond Principles as well as with the ASEAN Capital Markets Forum’s Social Bond Standards (the “**Second Party Opinion**”). The Second Party Opinion is not a recommendation to buy, sell or hold securities and is only current as of the date that the Second Party Opinion was initially issued. In addition, although we have agreed to certain reporting and use of proceeds obligations in connection with certain environmental and sustainability criteria, our failure to comply with such obligations will not in all cases constitute a breach or an event of default under the Bonds. A withdrawal of the Second Party Opinion or any failure by us to use the proceeds from the Bonds as described in the Second Party Opinion, or to meet or continue to meet the investment requirements of certain environmentally-focused investors with respect to the Bonds may affect the value of the Bonds and/or may have consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

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

RISKS RELATING TO SUBORDINATION OF BONDHOLDERS’ CLAIMS

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

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

RISKS RELATED TO BOOK-ENTRY INTERESTS

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

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

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

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

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

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

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

BONDHOLDERS MAY NOT BE ABLE TO SELL OR TRANSFER THE BONDS

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

RISKS RELATED TO THE INVESTMENT COMPANY ACT

The Issuer has not and will not be registered with the SEC as an investment company pursuant to the U.S. Investment Company Act of 1940, as amended (the “**Investment Company Act**”). The Issuer has not so registered in reliance on Section 3(c)(7) of the Investment Company Act. Section 3(c)(7) requires that all holders of the outstanding securities of such an issuer (or, in the case of a non-U.S. issuer, all holders that are U.S. Persons) are “qualified purchasers” as defined in Section 2(a)(51)(A) of the Investment Company Act and related rules. Under the rules, the issuer must have a “reasonable belief” that all holders of its outstanding securities (or, in the case of a non-U.S. issuer, all holders that are U.S. Persons), including transferees, are such qualified purchasers. Consequently, all sales and resales of the securities (or, in the case of non-U.S. issuers, all sales and resales in the United States or to U.S. Persons) must be made pursuant to Rule 144A under the Securities Act, solely to purchasers that are “qualified institutional buyers” within the meaning of Rule 144A and are also qualified purchasers for purposes of Section 3(c)(7).

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

If the SEC or a court of competent jurisdiction were to find that the Issuer is required, but in violation of the Investment Company Act, had failed, to register as an investment company, possible consequences include, but are not limited to, the following: (i) the SEC could apply to a district court to enjoin the violation; (ii) investors in the Issuer could sue the Issuer and recover any damages caused by the violation; and (iii) any contract to which the Issuer is party that is made in, or whose performance involves, a violation of the Investment Company Act would be unenforceable by any party to the contract unless a court were to find that under the circumstances enforcement would produce a more equitable result than non-enforcement and would not be inconsistent with the purposes of the Investment Company Act. Should the Issuer be subjected to any or all of the foregoing, the business, financial condition and operations Issuer could be materially and adversely affected and this could affect its ability to fulfill its obligations under the Bonds with the result that Bondholders may lose a part or the whole of their investment in the Bonds.

RISKS ASSOCIATED WITH AN EARLY REDEMPTION AND POSSIBLE REINVESTMENT

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

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

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

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

INFLATION RISK

The inflation risk is the risk of future money depreciation. The real yield from an investment is reduced by inflation. The higher the rate of inflation, the lower the real yield on the Bonds. If the inflation rate is equal to or higher than the

nominal yield of the Bonds, the real yield on the Bonds is zero or even negative. In such case, payments under the Bonds would not outweigh the money depreciation, which would lead to a loss for Bondholders.

NO TAX GROSS-UP FOR PAYMENTS ON THE BONDS

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

RISKS RELATING TO CHANGE OF LAW

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

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

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

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

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

MODIFICATIONS AND WAIVERS MAY BE MADE IN RESPECT OF THE TERMS AND CONDITIONS OF THE BONDS AND THE TRUST DEED BY THE BONDS TRUSTEE OR LESS THAN ALL OF THE HOLDERS OF THE BONDS

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

In addition, the Bonds Trustee may, without the consent of the Bondholders, authorize or waive any breach or proposed breach of the Trust Deed, the Terms and Conditions of the Bonds or the Agency Agreement (other than a proposed

breach, or a breach relating to the subject of certain reserved matters) if, in the opinion of the Bonds Trustee, the interests of the Bondholders will not be materially prejudiced thereby.

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

Under the Conditions, the Bonds may not be accelerated even if an event of default has occurred if the relevant event of default arose solely as the result of one or more breaches or defaults under one or more Loans, and neither the Portfolio Manager nor the Corporate Services Provider shall have consented or contributed (whether in whole or in part) to any such breaches or defaults and shall have taken such commercially reasonable actions as are permitted or required under the Management Agreement, the Administration Agreement and the Limited Guarantee to enforce the rights and remedies of the Issuer under such Loans and the Limited Guarantee with respect to each such breach or default. Therefore, there may be circumstances in which an event of default with respect to the Bonds does not result in their acceleration, which could decrease the value of the Bonds to Bondholders and result in a failure to pay principal or interest on the Bonds.

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

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

FOREIGN EXCHANGE CURRENCY RISK

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

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

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

hedge agreement or that the terms of such replacement hedge agreement will be favorable to the Issuer. See further “Foreign Exchange Hedging Arrangements” below.

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

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

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

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

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

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

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

THE BONDS ARE NOT GUARANTEED

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

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

The Issuer will depend primarily on receiving timely payments of principal and interest on the underlying Loans from the Borrowers in order to make payments due under the Bonds. However, the Issuer shall have the benefit of the Limited Guarantee, under which USIDFC shall reimburse to the Issuer 50% of the net losses of principal incurred by the Issuer in respect of non-payment of principal under the Loans, subject to certain qualification, concentration and other requirements, and subject to a maximum payment amount of US\$13,425,000 as described in the Limited

Guarantee. Any losses under the Loans not covered by the Limited Guarantee will be borne by the Issuer, and to the extent the Issuer does not have sufficient funds to bear such losses, such losses will be borne by the Bondholders with the result that Bondholders may lose a part or the whole of their investment in the Bonds. See *“The Transaction Documents.”* Bondholders have no direct recourse to the Limited Guarantee.

RISKS RELATING TO THE LIMITED GUARANTEE

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

- under the terms of the Limited Guarantee, USIDFC has the ability to suspend, reduce, cancel or terminate the Limited Guarantee in some circumstances at its sole discretion with respect to Loans that are then-outstanding or have not yet been placed under coverage of the Limited Guarantee;
- USIDFC may, under some conditions, also unilaterally remove a Loan from the coverage of the Limited Guarantee;
- the Issuer is obligated to accelerate the relevant Loan and take steps to recover amounts due under the Loan before it can claim for recovery under the Limited Guarantee, and to continue its collection efforts after it receives recovery under the Limited Guarantee;
- USIDFC will not reimburse any losses that result from the gross negligence, fraud or misrepresentation of the Issuer or the Portfolio Manager, or if the Issuer, the Portfolio Manager, or certain of their employees, representatives or affiliates, is convicted of a narcotics offense or was engaged in drug trafficking, or is found to be in violation of applicable anti-corruption laws, and in such cases any reimbursement amounts already paid by USIDFC may be required to be refunded to USIDFC by the Issuer;
- the Issuer is prohibited from making material amendments to the terms of the Loans without consent from USIDFC; and
- USIDFC, as an agency of the U.S. government, may also be entitled to claim sovereign immunity in the event of certain unwaivable actions by the Issuer or the Portfolio Manager to enforce the terms of the Limited Guarantee against USIDFC.

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

RISKS RELATED TO TAXATION

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

Risks Related to U.S. Taxation and Potential Status of the Issuer as Passive Foreign Investment Company

The Bonds may be treated as equity interests in the Issuer for U.S. federal income tax purposes given the lack of an unconditional promise to repay the full amount of principal to investors. In the event that the Issuer is regarded as a corporation for U.S. federal income tax purposes, based on the composition of its assets and financial expectations, the Issuer expects to be a “passive foreign investment company” (“**PFIC**”), which may have adverse U.S. federal income tax consequences for U.S. investors. A non-U.S. corporation will be classified as a PFIC for any taxable year if, for such year, either (i) at least 75% of its gross income for the year is passive income; or (ii) the average percentage

of its assets (determined at the end of each quarter) during the taxable year which produce passive income or which are held for the production of passive income is at least 50%. Passive income generally includes dividends, interest, certain rents and royalties and gains from the disposition of passive assets. If the Issuer is a PFIC for any taxable year (or portion thereof) that is included in the holding period of a U.S. investor in the Bonds, the U.S. investor may suffer adverse tax consequences, including being subject to increased U.S. federal income tax liability and additional reporting requirements. Each U.S. investor is urged to consult its own tax advisor regarding the U.S. federal income tax consequences of its investment in the Bonds and the PFIC rules.

Withholding Taxes on Payments due under the Bonds and the Subordinated Indebtedness

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

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

RISKS RELATED TO THE SECURITY

The Issuer will rely solely on monies received or recovered on the Loans (whether by way of scheduled payments, enforcement or otherwise) and under the Limited Guarantee to enable it to make payments in respect of the Bonds. There can be no assurance that the amount payable on any early redemption or enforcement of the security for the Bonds will be equal to the original issue price or the outstanding principal amount of the Bonds. Any shortfall in payments due to the Bondholders will be borne in accordance with the priority of payments set forth in the Conditions, and any claims of the Bondholders remaining after a mandatory redemption of the Bonds shall be extinguished. The cash in the Accounts may be insufficient to pay all principal and interest due on the Bonds. The Portfolio Manager does not have any obligation to any Bondholder for payment of any amount owing by the Issuer in respect of the Bonds.

RISKS RELATED TO EXPENSES OF THE ISSUER

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

USE OF PROCEEDS

The net proceeds from this offering are expected to be US\$24,700,000 and the net proceeds from the issuance of the Subordinated Indebtedness are expected to be US\$3,000,000 (as such principal amount may be increased pursuant to the terms thereof). The following table summarizes the anticipated use of the proceeds from the issuance of the Bonds and the Subordinated Indebtedness:

Use of Proceeds	US\$
Loans	
- <i>Chamroeun Microfinance Plc</i>	3,850,000
- <i>Maxima Microfinance Plc</i>	1,000,000
- <i>CV Evergreen Buana Prima Sandang</i>	2,000,000
- <i>Negros Women for Tomorrow Foundation, Inc.</i>	2,000,000
- <i>Katra Phytochem (Singapore) Pte. Ltd.</i>	2,500,000
- <i>Visage Holdings and Finance Private Limited</i>	6,950,000
- <i>CreditAccess Philippines Financing Company, Inc</i>	3,000,000
- <i>Centrum Microfinance Limited</i>	5,550,000
Less: Upfront Fees paid by Borrowers	(324,000)
Debt Service Reserve Account	230,000
Hedge Access Fee	400,000
Transaction Costs and Expenses ⁽¹⁾	267,000
One-time structuring fee payable to the Portfolio Manager ⁽²⁾	277,000
Total	27,700,000

⁽¹⁾ Includes legal fees and fees payable to the Bonds Trustee and other agents

⁽²⁾ The Portfolio Manager will separately receive from the Issuer a one-time contingent fee of up to US\$50,000 to the extent funds are received from the Monetary Authority of Singapore with respect to the Asian Bond Grant Scheme.

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

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

THE ISSUER

INTRODUCTION

The Issuer was incorporated on July 15, 2019 under the Companies Act as a private company limited by shares with company registration number 201922790C, having its registered office at 1 King George's Avenue, #05-00 Rehau Building, Singapore 208557. As of the date of this Information Memorandum, the Issuer has a share capital of US\$100, represented by 100 ordinary shares. All the shares of the Issuer are held by the Portfolio Manager.

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

CORPORATE PURPOSE OF THE ISSUER; RESTRICTIONS ON ACTIVITIES

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

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

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

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

DIRECTORS AND GOVERNANCE

In accordance with the Issuer's constitution, for so long as any of the Bonds are outstanding, a majority of the Issuer's board of directors will be comprised of independent directors nominated by the Corporate Services Provider. Pursuant to the Administration Agreement, dated October 22, 2020, CSCGFM Asia Services (Singapore) Pte. Ltd. has been appointed as the Corporate Services Provider to provide, *inter alia*, corporate and secretarial services to the Issuer.

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

Name	Business Address
Chen Meiyun, Agnes	230 Victoria Street, #11-03/04, Bugis Junction Towers, Singapore 188024
Crystal Law	230 Victoria Street, #11-03/04, Bugis Junction Towers, Singapore 188024

Chen Meiyun, Agnes is the Managing Director of APAC Region, covering Hong Kong, China and Singapore, at CSC Global Financial Markets (a group company of CSC Global). Agnes has over 15 years of operational and executive management experience in the banking, trust, wealth management, planning and structuring, compliance and fund administration services sectors. She has acted as a member of the board of directors, board advisory member, non-executive director and as council for client structure management, investments, operational entities, as well as licensed asset management and fund management entities. Agnes has been a key responsible representative of licensed trust companies for corporate and fund services as well as private and corporate trust in Singapore, Hong Kong and other jurisdictions. She holds a bachelor's degree in finance from a Singapore-joint-UK university, and is a qualified trust estate practitioner under the Society of Trust and Estate Practitioner (STEP) and a qualified practitioner in international compliance and anti-money laundering under the Central Law Training UK. Agnes has also in her own capacity attained LinkedIn 2018 Power Profiles of the Year, Hong Kong region. Agnes has been invited to sit on the judging panels for various professional awards and portfolios.

Crystal Law is the Director of Trust Services at CSC Global Financial Markets. Crystal has more than 15 years of experience in trustee operations and fund accounting. Crystal has a bank operational background and had worked in various international banks before joining CSC. In her previous role, Crystal was the head of the trustee operations team in an American international bank prior to joining CSC. She specialises in institutional and private trusts and also has experience in loan administration, investment monitoring and escrow accounts, and is a paying agent for a bond issuer. Crystal has a Bachelor degree in Commerce (Accounting) and a higher Diploma in Accounting.

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

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

FISCAL YEAR

The first fiscal period of the Issuer commenced on its date of incorporation and will end on December 31, 2020, and thereafter each fiscal year will end on December 31 of such year.

DEBT

The Bonds	US\$24,700,000
The Subordinated Indebtedness	US\$3,000,000

FINANCIAL STATEMENTS

The Issuer will publish its first audited financial statements for its first fiscal period ending December 31, 2020. The Issuer will not prepare interim financial statements.

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

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

AUDITORS

The external auditors of the Issuer are Crowe Horwath First Trust LLP.

DESCRIPTION OF IIX GLOBAL CHARITABLE LIMITED

The information relating to IIX Global Charitable Limited contained in this section headed “Description of IIX Global Charitable Limited” has been provided by IIX Global Charitable Limited. To the best of the knowledge and belief of IIX Global Charitable Limited, this information is in accordance with the facts and does not omit anything likely to affect the import of such information.

OVERVIEW OF IIX GLOBAL CHARITABLE LIMITED

IIX Global Charitable Limited was incorporated on March 26, 2010, in Singapore as a public company limited by guarantee, with registration number 201006538Z. IIX Global Charitable Limited was registered as a charity under Singapore’s Charities Act on December 3, 2010. IIX Global Charitable Limited’s registered office is at 16 Collyer Quay, #11-01, Income at Raffles, Singapore 049318.

IIX Global Charitable Limited’s mission is to empower women, create resilient communities and drive climate action. As the non-profit arm of IIX, IIX Global Charitable Limited performs the role of an intermediary, a thought-leader and an ecosystem builder in the impact investing space. IIX Global Charitable Limited’s key programs include:

- (i) IIX Assessments, an independent service that helps impact enterprises understand, measure, monitor, communicate and enhance their impact. As of September 30, 2020, IIX Global Charitable Limited has conducted impact assessments for more than 360 entities.*
- (ii) IIX Research, a data-driven service that informs the thinking of policy-makers, foundations, investors, corporations, and other impact creators. Research projects include conducting country mapping studies, performing diagnoses on complex development issues, as well as providing insights on markets and sectors to scale sustainable development. As of September 30, 2020, IIX Global Charitable Limited has performed over 50 research projects.*
- (iii) IIX ACTS (Assistance for Capacity-Building and Technical Services), an innovative program which provides accessible and affordable technical assistance to targeted impact enterprises, preparing them to raise growth capital.*

IIX Global Charitable Limited has issued a second party opinion to certify the compliance of the Bonds with the International Capital Markets Association (ICMA)’s Social Bond Principles published online and updated as of November 11, 2020 as well as with the ASEAN Capital Markets Forum’s Social Bond Standards. The Social Bond Principles second party opinion is attached in Appendix F.

OVERVIEW OF THE IMPACT ASSESSMENT FRAMEWORK

The purpose of this section is to provide an overview of the Impact Assessment Framework that was used to evaluate the Borrowers. This framework is used both during the upfront social due diligence done when constructing the portfolio and will be used to facilitate ongoing reporting across the 4 years of the Bond.

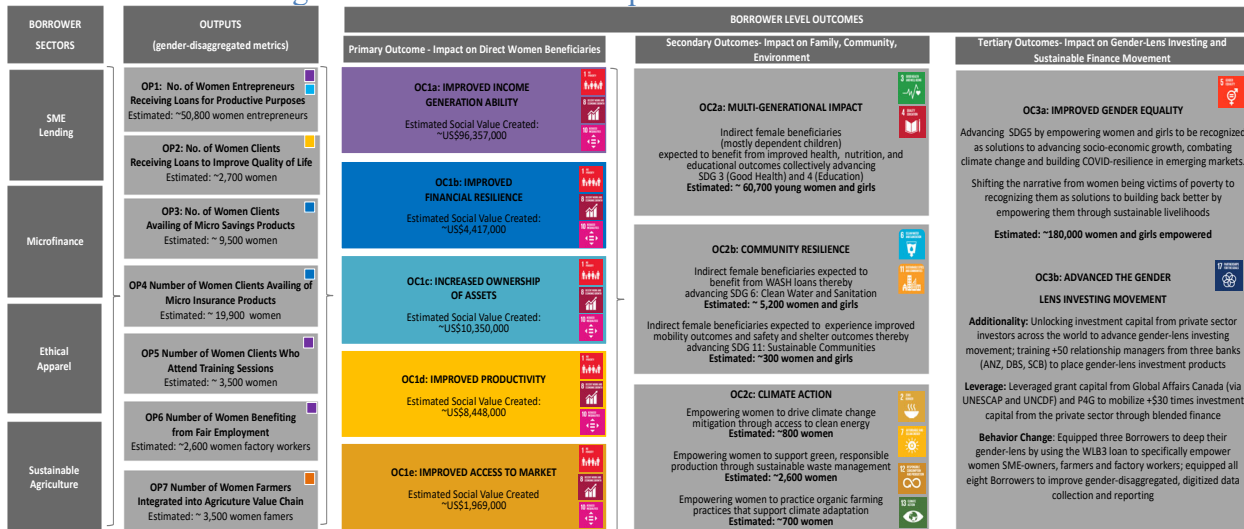
To evaluate the social performance of the Borrowers, the Portfolio Manager utilizes a social impact assessment framework to (a) map out how each Borrower can achieve the expected primary, secondary and tertiary outcomes, (b) track the actual performance of the Borrower in empowering women and (c) identify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

Master Framework

The Portfolio Manager embarks on the impact measurement process via 3 distinct steps: (i) establishing an impact assessment framework focused on gender lens outcomes; (ii) attaching gender-specific metrics to ensure women have a voice and a value; and (iii) identifying financial proxies to project impact and link it with capital mobilized. These steps are further elucidated below:

#1: Establishing an impact assessment framework focused on gender lens outcomes: Figure 5 outlines the Portfolio Manager’s impact assessment framework used to establish the linkages between the activities undertaken by the Borrowers and their expected social outcomes on underserved women along the sustainable livelihoods value chain. The following section describes and quantifies the key outputs and outcomes expected to be achieved in aggregate, by the Borrowers utilizing the proceeds of the WLB 3 Loans.

Figure 5: Portfolio Level Impact Assessment Framework



OUTPUTS (“OP”)

The 7 key outputs are listed and explained below:

OP 1: Number of Women Entrepreneurs Receiving Loans for Productive Purposes: Each of our MFI Borrowers lends primarily for productive purposes, with approximately 80% to 100% of loans being made to women who are micro entrepreneurs or running small businesses. “Productive purposes” refers to assets that either directly generate income or facilitate the generation of income, thereby improving livelihoods. Examples of such assets include a sewing machine that expands revenue streams of a seamstress or working capital for a woman to run her dairy farm. The Portfolio Manager estimates that the proceeds of the Loans will impact approximately 50,800 women entrepreneurs to sustain and grow their businesses over the four-year tenor of the Loans.

OP 2: Number of Women Clients Receiving Loans to Improve Quality of Life: In South and Southeast Asia, credit offerings for non-business purposes remains limited¹ and subject to high interest rates.² Some of our MFI Borrowers fill this gap by offering affordable loans designed to finance the purchase of items in high demand among their clients that go beyond productive assets. Examples of these other microcredit products offered by our MFI Borrowers include WASH (water, sanitation, and hygiene) loans; clean energy loans (such as for purchasing a solar photovoltaic system); and personal mobility loans (such as for purchasing a motorcycle). The Portfolio Manager estimates approximately 2,700 women will be provided with micro-loans to improve their quality of life over the four-year tenor of the Loans.

OP 3: Number of Women Clients Availing of Micro Savings Products: The percentage of adult females saving at a formal financial institution is low, ranging from 5.3% in Cambodia to 19.6% in India (as of 2017).³ This is due to both supply-side barriers, such as inadequate access and a lack of savings products appropriate for rural households, and demand-side barriers, such as lack of information among potential clients and lack of trust of formal financial institutions.⁴ Some of our MFI Borrowers address these barriers by designing savings products that suit the needs of low-income women. Examples of micro savings products offered include mandatory savings, voluntary savings, pension savings, and fixed deposit products. The Portfolio Manager estimates that the proceeds of the Loans will impact approximately 9,500 women with micro-savings products over the four-year tenor of the Loans.

OP 4: Number of Women Clients Availing of Micro Insurance Products: Low-income households stand to benefit significantly from micro insurance products to help them better absorb, respond to and bounce back from adverse events that negatively impact their livelihoods. For example, among rural households, illness and death of a family member are 2 of the top 3 reasons most likely to result in impoverishment.⁵ Yet, in developing countries, insurance coverage remains as low as below 5% of the population, and insurance products available are often too expensive⁶ or inappropriate for low-income clients.⁷ Some of our MFI Borrowers address this unmet demand by offering affordable micro insurance products such as life insurance, health insurance and accident insurance. The Portfolio Manager estimates that the proceeds of the Loans will impact approximately 19,900 women with micro-insurance products over the four-year tenor of the Loans.

OP 5: Number of Women Clients Who Attend Training Sessions: Women in developing countries often lack the financial literacy skills⁸ required to manage their debt obligations; providing credit to such women risks creating a cycle of indebtedness⁹ that could adversely impact low income families. In contrast, providing financial literacy training alongside access to credit has been found to improve repayment times, repayment rates, and client retention.¹⁰ Examples of training sessions offered to women clients by our Borrowers include courses on financial literacy and business acumen. One of the Borrowers, Katra India, provides training on basic agricultural practices (i.e., fertilizer use, water use, crop planting). The Portfolio Manager estimates that the proceeds of the Loans will impact approximately 3,500 women with access to basic skills and training over the four-year tenor of the Loans.

¹ Ogden, T. (2016). *The Case for Social Investment in Microcredit*. Financial Access Initiative. <https://www.financialaccess.org/publications-index/2016/ogdenmicrocredit>

² Diaz-Martin, L. (2018). *Microcredit: Impacts and Limitations*. Jameel Poverty Action Lab. <https://www.povertyactionlab.org/policy-insight/microcredit-impacts-and-limitations>

³ World Bank Global Findex (2017). <https://databank.worldbank.org/source/q20-financial-inclusion-indicators>

⁴ Roa, M.J. and Di Giannatale, S. (2016). *Formal Saving in Developing Economies: Barriers, Interventions, and Effects* (working paper). IDB. https://www.researchgate.net/publication/312577448/Formal_Saving_in_Developing_Economies_Barriers_Interventions_and_Effects

⁵ Wagstaff, A. (2008). *Cushioning the Effects of Health Shocks on Households*. World Bank. <http://documents.worldbank.org/curated/en/929951468152384480/pdf/539130BR10Wags10Box345633Bo1PUBLIC1.pdf>

⁶ Bauchet, J. et al. (2011). *Latest Findings from Randomized Evaluations of Microfinance*, p.18. CGAP. <https://www.povertyactionlab.org/sites/default/files/publications/FORUM2.pdf>

⁷ Lloyd's (2009). *Insurance in Developing Countries: Exploring Opportunities in Microinsurance*. <https://www.lloyds.com/approximately/media/lloydsreports/360/360-other/insuranceindevelopingcountries.pdf>

⁸ Karakurum-Ozdemir, K., Kokkizil, M., and Uysal, G. (2019). "Financial literacy in developing countries." *Social Indicators Research*, 143(1), pp.325-353. <https://link.springer.com/article/10.1007/s11205-018-1952-x>

⁹ Smits, J. and Günther, I. (2017). *Microcredit, Financial Literacy and Household Financial Distress*. ETH Zurich. <https://www.ethz.ch/content/dam/ethz/special-interest/gess/nadel-dam/documents/research/Overindebtness/Microcredit.pdf>

¹⁰ Awunyo-Vitor, D. (2013). "Determinants of loan repayment default among farmers in Ghana." *African Journal of Economics*, 1(3), pp.71-76. <http://citeseerx.ist.psu.edu/viewdoc/download;jsessionid=6E0FC0A2E3A4DA7CC383622A724FC847?doi=10.1.1.672.3460&rep=rep1&type=pdf>

OP 6: Number of Women Benefiting from Fair Employment: One of the Borrowers, Evergreen, is an ethical apparel company based in Indonesia that employs women from low-income communities and provides them with stable employment and fair wages. In order to ensure the safety of their employees, The Borrower requires all employees to be trained on essential safety and health measures before using any machinery. The Loans will be used to ensure the company's practices are in line with national regulations on fair wages (as set by Indonesia's Ministry of Labor), fair working conditions and sustainable production practices.¹¹ The Portfolio Manager estimates that the proceeds of the Loans will impact approximately 2,600 women factory workers with fair wages and working conditions over the four-year tenor of the Loans.

OP 7: Number of Women Farmers Integrated into Agriculture Value Chain: One of the Borrowers, Katra India, is a sustainable agriculture company based in India that plans to use the Loan to formally integrate women smallholder farmers into its supply chain. Katra India will use its Loan proceeds to increase the proportion of women smallholder farmers signing farming contracts from 10% to 50% by year 4 of its Loan. The formal recognition of the role of female farmers and ensuring women are paid for their work in the agricultural sector is a critical move to close India's gender gap in employment, where there is only 0.27 woman to every man in the labor force (as of 2019),¹² as well as its gender pay gap, where on average women earn only 66% of men's wages.¹³ The Portfolio Manager estimates that Katra India will formally integrate approximately 3,500 women smallholder farmers into the agriculture supply chain over the four-year tenor of the Loan.

PRIMARY OUTCOMES ("OC1")

Based on data collected during interviews with women beneficiaries during the social due diligence field visits, these 7 outputs collectively generate 5 primary outcomes: (1) improved income generation ability (2) improved financial resilience, (3) increased ownership of assets, (4) increased access to skills, (5) improved productivity, and (6) improved access to market, as explained below.

OC 1a: Improved Income Generation Ability: Improved Income Generation Ability is a result of OPI (increased number of clients borrowing microcredit products for productive purposes) and OP6 (increased number of women employed) as detailed below:

- Women borrowers are able to use their loans to cover working capital costs and to purchase income-generating assets to sustain and expand their microbusinesses.¹⁴ Aside from this, access to microcredit has also been found to decrease casual wage labor and promote self-employment.¹⁵ This helps women to increase their income generation ability in the range of 20% to 80% (per field trip data collected during the social due diligence) and to stabilize their ability to generate income.
- Women employees in the Ethical Apparel Borrower factories are able to use their stable income to plan ahead their expenses and savings. This extra income is used by the employees to further support their families' well-being and pay for their children's education fees and allowance. Additionally, factory workers benefit from yearly assessments which can ultimately lead to a salary increase depending on their performance and seniority.

The Portfolio Manager estimates that the provision of the Loans to the Borrowers will generate approximately US\$96.35 million of social value in the form of increased income over the four-year tenor of the Loans.

¹¹ International Labor Organization (2012). Working Conditions Law Report 2012. https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_235155.pdf

¹² World Bank Gender Data Portal (2019). <http://datatopics.worldbank.org/gender/country/cambodia>

¹³ Dara, M. and Handley, E. (2018). "Putting a price on gender parity." *The Phnom Penh Post*, 9 March 2018. <https://www.phnompenhpost.com/national-post-depth/putting-price-gender-parity-cambodias-women-face-growing-pay-gap-limits>

¹⁴ Bhattacharyya, R. (2019). "Gender pay gap high in India: Men get paid Rs 242 every hour, women earn Rs less", 7 March 2019, <https://economictimes.indiatimes.com/magazines/panache/gender-pay-gap-still-high-women-in-india-earn-19-pc-less-than-men-report/articleshow/6830223.cms>

¹⁵ Cull, R. and Morduch, J. (2017). *Microfinance and Economic Development*. <https://wagner.nyu.edu/files/faculty/publications/Cull%20and%20Morduch%20-%20Microfinance%20and%20Economic%20Development.pdf>

OC 1b: Improved Financial Resilience: Improved Financial Resilience is a result of OP3 (increased number of women clients availing of micro savings products) and OP4 (increased number of women clients availing of micro insurance products) as detailed below:

- Savings improve the ability of women to maintain stable livelihoods following unexpected events, such as illness and natural disasters.¹⁶ Formal savings products as offered by MFIs are less risky than informal savings;¹⁷ for instance, many rural women still save money in their homes which is not as secure and also tends to be used up for petty expenses as opposed to being systematically built up over time to improve financial security.
- Providing micro-insurance to rural households can insulate against unexpected events by ensuring women have access to a financial safety net in case of adverse events that negatively impact their health, productivity or livelihood.

The Portfolio Manager estimates that the provision of the Loans to the Borrowers will generate approximately US\$4.41 million of social value in the form of increased savings and insurance over the four-year tenor of the Loans.

OC 1c: Increased Ownership of Assets: Increased ownership of assets is a result of OP2 (increased number of women clients borrowing microcredit products for other purposes). In certain cases, larger loan products offered by certain Borrowers are sometimes used by women beneficiaries to buy land for housing or agriculture. Ownership of property provides women with loan collateral and insulates them against shocks, allowing them to access more formal financial services, take more economic risks, and increase their earning potential. Owning property also increases the bargaining power of women in the household, giving them more control over economic decision-making and their own livelihoods.¹⁸

The Portfolio Manager estimates that the provision of the Loans to the Borrowers will generate approximately US\$10.35 million of social value in the form of increased ownership of land and home improvements over the four-year tenor of the Loans.

OC 1d: Improved Productivity: Improved productivity is a result of OP2 (increased number of women clients borrowing microcredit products for other purposes). While loans for non-business purposes do not directly generate income, they reduce the amount of time required for certain activities and increase the number of productive hours available. For example, a tube well built using a WASH loan may reduce the amount of time spent on fetching water, a latrine built using a WASH loan may improve sanitation and reduce days lost due to illness, and a motorcycle bought using a personal mobility loan may reduce the amount of time spent on traveling to work. Such loans also play an important role in smoothing consumption and improving the general well-being of women and their families,¹⁹ which in turn improves their ability to transition to more sustainable livelihoods.

The Portfolio Manager estimates that the provision of the Loans to the Borrowers will generate approximately US\$8.44 million of social value in the form of time saved over the four-year tenor of the Loans.

OC 1e: Improved Access to Market: Improved access to market is a result of OP7 (increased number of women farmers being sourced from). Katra India, a sustainable agricultural firm, sources marigold from smallholder farmers from low income communities, with 10% of them being women. The farmers are equipped with increased earnings through improved access to market and fair price premiums on organic marigold (20% of total crops). Stable demand of production and integration into the formal value chain helps improve social and economic inclusion. Organic

¹⁶ DeLoach, S.B. and Smith-Lin, M. (2017). *The Role of Savings and Credit in Coping with Idiosyncratic Household Shocks*. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3036606

¹⁷ Wright, G. and Mutesasira, L. (2001). *The Relative Risks to the Savings of Poor People*. MicroSave. http://www.microsave.net/files/pdf/The_Relative_Risks_to_the_Savings_of_Poor_People_Wright_et_al.pdf

¹⁸ ICRW (2005). *Property Ownership for Women Enriches, Empowers and Protects*. <https://www.icrw.org/wp-content/uploads/2016/10/Property-Ownership-for-Women-Enriches-Empowers-and-Protects-Toward-Achieving-the-Third-Millennium-Development-Goal-to-Promote-Gender-Equality-and-Empower-Women.pdf>

¹⁹ Bauchet, J. et al. (2011). *Latest Findings from Randomized Evaluations of Microfinance*. CGAP. <https://www.povertyactionlab.org/sites/default/files/publications/FORUM2.pdf>

farming can increase income by up to 2.5 times due to market premiums²⁰ and requires contractual agreements that provide farmers with price transparency and guaranteed demand for their produce.²¹

The Portfolio Manager estimates that the provision of the Loans to the Borrowers will generate approximately US\$1.96 million of social value in the form of fair pricing to farmers over the four-year tenor of the Loans.

SECONDARY OUTCOMES (“OC2”)

These 5 primary outcomes collectively result in 3 secondary outcomes: (1) multi-generational impact; (2) community resilience; and (3) climate action.

OC 2a: Multi-Generational Impact: When women have control over the family’s income, a large portion is spent on their families, particularly on dependent children.²² Improved status of women in the household and female control over family finances correlates with improved health and nutrition for their children, through pathways such as better nutrition for pregnant and nursing mothers, access to prenatal and birthing care, improved children feeding practices, and better medical treatment and immunization for children.²³ Women beneficiaries with more disposable income report an increased likelihood of ensuring their daughters attend and complete primary and secondary education; in selected cases, women beneficiaries also report using their savings to send their daughters for higher studies, thereby laying the ground to break the cycle of poverty.

The Portfolio Manager estimates that the proceeds of the Loans will directly impact approximately 60,700 young women and girls with improved health, nutrition and education outcomes over the four-year tenor of the Loans.

OC 2b: Community Resilience: Through the primary outcomes described above, women are better able to secure ownership over property and improve their housing and living conditions. This reduces dependency on men, improves women’s social status, and reduces the risk of poverty and migration.²⁴ In the long term, stable property ownership and better living conditions create a sense of security among women and helps shift household and community power structures in their favor.²⁵

Better access to water, health, and sanitation facilities help prevent water and sanitation-related diseases, which are among the most significant health problems in developing countries and provides the foundations for long-term well-being. In addition, improved health and sanitation have positive spillover effects on social and economic development, through pathways such as time savings, lower healthcare costs, fewer productive days lost to illness, improved neonatal development, and improved ability of children to remain in school.²⁶

The Portfolio Manager estimates that the proceeds of the Loans will directly impact approximately 5,200 women and girls with improved water and sanitation outcomes and approximately 300 women and girls with improved mobility, safety and shelter outcomes over the four-year tenor of the Loans.

OC 2c: Climate Action: Underserved women from low income and rural communities are disproportionately impacted by climate change as women tend to have a higher reliance on natural resources; for instance, women are typically in charge of collecting water and majority of women in rural communities tend to be informally employed in agricultural

²⁰ Khoi, R., Nanseki, T., and Chomei, Y. (2016). “Assessment of the premium on rice yield and rice income from adoption of organic rice farming for Cambodian farmers: An application of endogenous switching regression.” *Journal of Agricultural Economics and Development*, 5(2), p.33-44. <http://academeresearchjournals.org/download.php?id=720114866243224680.pdf&type=application/pdf&op=1>

²¹ FAO (2013). *Contract Farming for Inclusive Market Access*. <http://www.fao.org/3/a-i3526e.pdf>

²² Clinton Global Initiative (2009). *Empowering Girls & Women*. <https://www.un.org/en/ecosoc/phlntrpy/notes/clinton.pdf>

²³ Smith, L. et al. (2002). *The Importance of Women’s Status for Child Nutrition in Developing Countries*. IFPRI. <https://tind-customer-agecon.s3.amazonaws.com/e9fa4f26-1278-4fe8-b7a7-0bbd87dcb8b2?response-content-disposition=inline%3B%20filename%2A%3DUTF-8%27%27r030131.pdf&response-content-type=application%2Fpdf&AWSAccessKeyId=AKIAXL7W7Q3XHXDVDOYS&Expires=1561498333&Signature=oQkIKoV8PNJZg%2BXm7FoR8swvCvI%3D>

²⁴ ICRW (2005). *Property Ownership for Women Enriches, Empowers and Protects*. <https://www.icrw.org/wp-content/uploads/2016/10/Property-Ownership-for-Women-Enriches-Empowers-and-Protects-Toward-Achieving-the-Third-Millennium-Development-Goal-to-Promote-Gender-Equality-and-Empower-Women.pdf>

²⁵ FAO (2002). *Land Tenure and Rural Development*. <http://www.fao.org/3/a-y4307e.pdf>

²⁶ Mara, D., Lane, J., Scott, B., and Trouba, D. (2010). “Sanitation and health.” *PLoS Med*, 7(11). <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2981586/>

supply chains. As such, certain of the Borrowers seek to reposition women as solutions to combat climate change by transitioning to clean energy sources, using responsible and green manufacturing practices or by shifting to environmentally-friendly, climate-smart agricultural practices that help female farmers better adapt to weather-related shocks and stresses such as floods and droughts. In particular, organic agriculture contributes to climate mitigation by reducing energy use (due to avoidance of synthetic fertilizers and machinery), increasing soil carbon content through sequestration, and reducing emissions of nitrogen dioxide and other greenhouse gases. Additionally, organic agriculture is more resilient to changing weather conditions and produces more stable yields under drought conditions as it requires lower water inputs.²⁷

The Portfolio Manager estimates that the proceeds of the Loans will enable approximately 800 women to transition to clean energy sources, approximately 2,600 female factory workers to use responsible, green production practices and approximately 700 female smallholder farmers to shift to climate-smart farming over the four-year tenor of the Loans.

TERTIARY OUTCOMES (“OC3”)

The primary and secondary outcomes collectively contribute to two tertiary outcomes (1) building gender equality in line with the United Nation’s Sustainable Development Goal (“SDG”) 5 on gender equality; and (2) driving forward the global gender lens investing movement, as explained below:

OC 3a. Gender Equality: The Loans empower women by creating sustainable livelihoods that improve their power and agency over resources. The Loans are expected to help lay the ground for these women to be treated with greater dignity, reduce discrimination against financially excluded women and help to put women front and center of capital markets through a listed product. Furthermore, the Loans will empower women to build back better by empowering them to advance social-economic growth, combating climate change and building COVID-19 resilience in the post-pandemic era. The issue of the Bonds is thus aligned with SDG 5 on gender equality, specifically with sub-target SDG 5.1: ‘ending discrimination against women’ and SDG 5.A: ‘giving women the right to economic resources’. The Portfolio Manager estimates that the issuance of the Bonds will empower approximately 175,000 to 180,000 women and girls to be recognized as solutions to global issues.

OC 3b. Driving forward the Gender Lens Investing Movement: The issue of the Bonds is expected to advance the global gender lens investing movement in three ways:

- **Additionality:** The Loans are expected to help demonstrate the viability of gender-lens investing products to private sector investors and mobilize new sources of private-sector capital to accelerate the gender-lens investment movement. Based on investor participation in prior issuances of bonds under the WLB Series, the Portfolio Manager estimates bringing in a range of investors from across the world including large institutions, funds, family offices and ultra-high-net-worth private banking clients, some of whom have never invested in a gender-lens investment debt security before. The Portfolio Manager has also trained over 50 relationship managers working with its banking partners (ANZ, Standard Chartered Bank and DBS) on how to place Social Bonds focused on women empowerment with their clients.
- **Leverage:** The Portfolio Manager will use grant funding from the Global Affairs Canada (GAC) (via the United Nations Capital Development Fund (UNCDF) and United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)) and from Partnering for Green Growth and the Global Goals (P4G) to structure and monitor the Bonds. The Portfolio Manager will leverage this support to mobilize over approximately 30 times more investment capital from the private sector, further strengthening the case for effective use of donor or public sector funding to create a catalytic impact on underserved women.
- **Behavior Change:** Over the course of 4 years, the issue of the Bonds will also create behavior change in Borrowers in three ways:
 - by ring-fencing funding for women-specific projects in the case of Borrowers that were not already

²⁷ Seufert, V. and Ramankutty, N. (2017). “Many shades of gray – the context-dependent performance of organic agriculture.” *Science Advances*, 3. <https://advances.sciencemag.org/content/advances/3/3/e1602638.full.pdf>

actively impacting underserved women (e.g. Kinara will use its Loan proceeds specifically to lend to women-owned SMEs at a discounted rate);

- by transitioning traditional enterprises to either formally integrate women in their supply chain (e.g. Katra India will increase the percentage of female smallholder farmers formally signing the contracts and directly receiving payment for their produce from 10% to 50% over the four year tenor of its Loan) or to ensure they receive fair wages and working conditions (e.g. Evergreen will increase wages to women factory workers over the regional minimum wage set by the government); and
- by including mandatory measurement and reporting of gender-lens outcomes: this will increase the availability of gender-lens data at the outcome level that can be used by the Borrowers to deepen their impact, by the Portfolio Manager to make better portfolio allocation decisions in the future and to provide greater transparency of impact performance to investors.

#2: Attaching Gender-Specific Metrics to Ensure Women have a Voice and a Value

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

#3. Identifying Financial Proxies to Project Impact and Link it with Capital Mobilized

As a final step, each outcome is given a monetary proxy value to calculate the social value generated by the Borrower. Monetizing social value creation can be done in two main ways:

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

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

In calculating the PV, the Portfolio Manager considers the impact of enterprises across a four-year time horizon since the Loans expect to support enterprises across the same time horizon. To account for the time value of money across the next four years and accordingly represent future net impact in today's terms, the Portfolio Manager discounts impact by the respective lending rates for each enterprise. The following formula showcases the breakdown, with 'r' equating to the lending rates, and 'n' equating to 4:

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

At the portfolio level, the Portfolio Manager calculates a weighted SROI by considering the percentage allocation of the bond investment sum across the eight underlying Borrowers. The Portfolio Manager expects to achieve an SROI of approximately US\$4 for every US\$1 invested through the Loans and will impact over 60,000 direct women beneficiaries and over 120,000 indirect female beneficiaries.

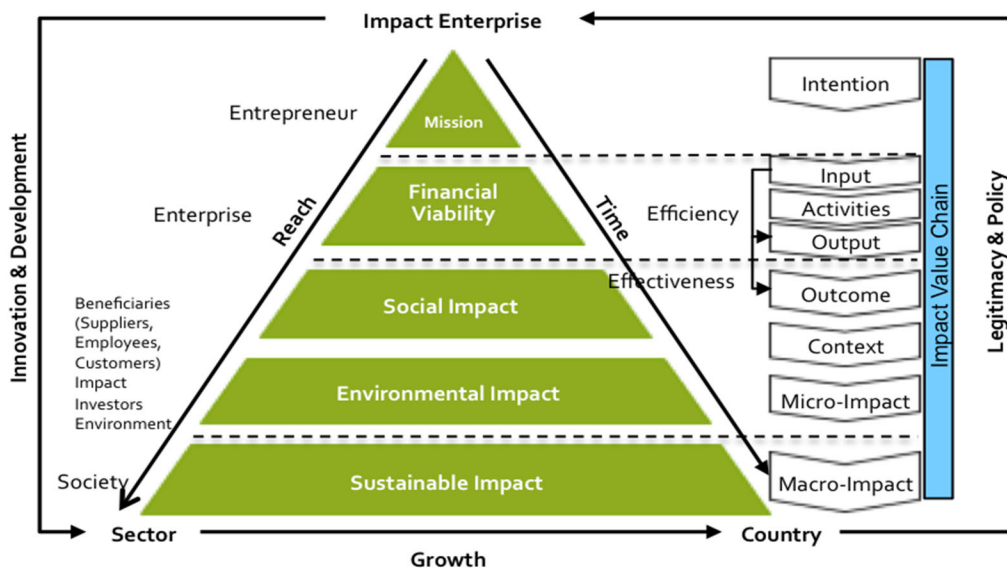
Subsequent Social Impact Monitoring and Reporting – IIX Values™ and the IIX Sustainability Pyramid™:

The Portfolio Manager will report on the social performance of the Borrowers twice a year. At the mid-point of each reporting year, the Portfolio Manager will monitor and provide a progress report, charting out the social performance

of the Borrowers, both as individual entities and in aggregate. At the end of the reporting year, the Portfolio Manager will produce a comprehensive evaluation of the social performance of the bond and the Borrowers which will be supported by impact verification that involve interviewing a sample size of women beneficiaries supported by each of the Borrowers using IIX Values™, a digital impact assessment tool that uses mobile technology to collect and analyze impact data direct from women impacted by the Loans. During the COVID-19 pandemic, IIX Values™ will ensure women continue to have a voice in the reporting process and that the risk of impact-washing is actively mitigated by providing investors with verified impact reports based actual results experienced by end beneficiaries.

IIX Values™ assesses various dimensions of the Borrower’s impact by utilizes the Portfolio Manager’s proprietary impact assessment framework, the IIX Sustainability Pyramid™ (Figure 6) which takes into consideration the organization’s mission, financial viability, and positive social and environmental impact to assess its contribution toward the United Nation’s SDGs. The objective of the framework is to help enterprises understand their impact value chain and identify ways to deepen their impact by analyzing its relevance to the impact on beneficiaries over time. Additionally, the framework is designed to equip investors with a tool for making educated investment decisions that can lead to optimized impact generation.

Figure 6: IIX Sustainability Pyramid™



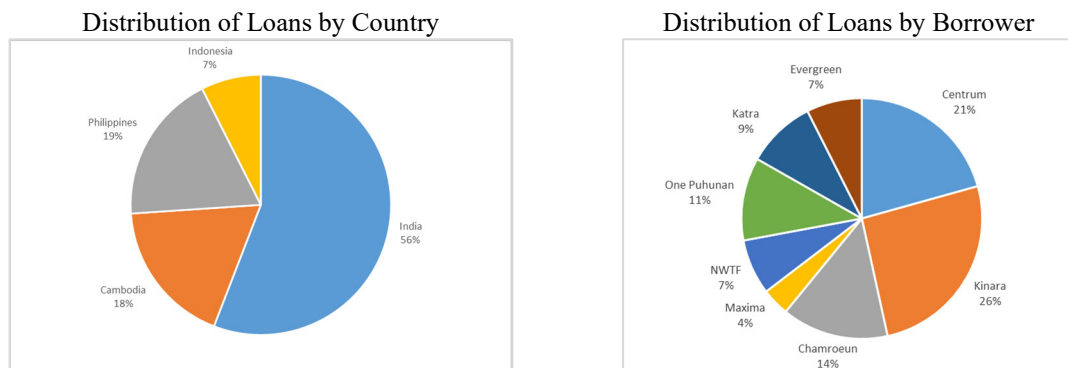
The bottom-up approach of the IIX Sustainability Pyramid™ begins by considering the goal and objectives of the organizations. The mission statement offers a point of reference to examine the strategy that the organization uses to accomplish its goal and objectives. Next, the framework investigates the intricacies of the organization’s business model and how its activities align with the mission of creating social and environmental outcomes. This review involves understanding the products and services provided by the organization as well as an overview of the type of target beneficiaries it serves (e.g. women). The next step involves linking outputs (e.g. number of women served) to outcomes (e.g. value of increased income achieved over the life of the investment). All these outcomes are considered in the broader context of the enterprise’s country and sector to assess key factors such as national or industry growth rate, policy, innovation or technological developments to give a holistic understanding of the ability to create sustainable impact.

THE BORROWERS

Unless otherwise indicated, information contained in this Information Memorandum concerning the Borrowers or their industries is based on information provided by the Borrowers, as well as various other sources, including independent industry publications, reports, surveys and forecasts. We have not independently verified the accuracy or completeness of the information provided by the Borrowers or contained in these industry publications, reports, surveys and forecasts. Unless we state otherwise, our presentation of the Borrowers' financial condition and results of operations is based on audited financial statements provided by the Borrowers. Information is provided for the fiscal years 2017, 2018 and 2019. The Borrowers and any publications, reports, surveys and forecasts on which information is based generally indicate that they have obtained their information from sources believed to be reliable, but do not guarantee the accuracy and completeness of their information. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. The industries in which we and the Borrowers operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Risk Factors" and elsewhere in this Information Memorandum. These and other factors could cause results to differ materially from those expressed by the Borrowers or contained in these publications, reports, surveys and forecasts.

OVERVIEW OF THE BORROWERS

The Issuer intends to make Loans to eight Borrowers from four countries. The Borrowers operate in four sectors: microfinance, small to medium enterprise lending, ethical apparel and sustainable agriculture. In aggregate, the Loans are expected to impact approximately 175,000 to 180,000 women and girls. The maximum exposure to any single Borrower is expected to be approximately 26% of the portfolio, to any single country is expected to be approximately 56% of the portfolio, and to any single sector is expected to be approximately 54% of the portfolio. Key features of the Borrowers and of the portfolio are presented below.



The Issuer's criteria for Loan allocations include, *inter alia*, that no more than 60% of the aggregate amount of the Loans may be allocated to any one country, that no more than 25% of the aggregate amount of the Loans may be allocated to Cambodia and that no more than 30% of the aggregate amount of the Loans may be allocated to any one Borrower. The Borrower selections above meet these criteria.

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

SELECTED INFORMATION OF THE BORROWERS

		Micro-Finance Institutions and Small to Medium Enterprise Lenders						Enterprises		
Features		Centrum	Kinara Capital	Chamroeun	Maxima	NWTF	One Puhunan	Katra Singapore ⁽¹⁾	Katra India ⁽¹⁾	Evergreen Group
Issuer Exposure	Expected Loan Amount (US\$)	5,550,000	6,950,000	3,850,000	1,000,000	2,000,000	3,000,000	2,500,000	-	2,000,000
	Proportion of total %	21%	26%	14%	7%	7%	11%	9%	NA	7%
	Security	Letter of Comfort from parent; Client receivables	Client receivables	Unsecured	Unsecured	Unsecured	Letter of Comfort from Parent	Floating charge over assets; Promotor guarantee; Corporate guarantee	NA	Factory, Land, Receivables, Personal guarantee, Corporate guarantee
	Country of Operations	India	India	Cambodia	Cambodia	Philippines	Philippines	Singapore	India	Indonesia
Operational Maturity	Legal incorporation status	NBFC-NDMFI	NBFC-NDSI	MFI	NBFC	Non-profit MFI	MFI	Private limited company	Private limited company	General Partnership
	Years in Operation	4	24	9	20	36	6	0	24	7
	Number of borrowers (active)	224,546	27,820	33,060	5,874	563,201	260,105	NA	NA	NA
	Total staff	938	1,250	243	171	3,367	1,920	0	194	654
Financial Stability	Results as of	FY Mar 2020 AFS	FY Mar 2020 AFS	2019 AFS	2019 AFS	2019 AFS	FY Mar 2020 AFS	FY Mar 2020 Prelim AFS	FY Mar 2020 Prelim AFS	2019 MGMT
	Total Assets (US\$ millions)	68.9	132.3	26.1	24.1	109.6	53.4	11.6	20.4	7.8
	Gross Loan Portfolio (FI) / Total Revenue (Ent.) (US\$ millions)	59.3	111.4	21.2	21.4	82.7	46.0	-	7.9	14
	Net Profit (US\$ millions)	0.7	2.5	1.2	0.5	6.3	0.8	-	0.4	1.4
	Debt/Equity (x)	6.0	3.7	4.1	1.7	0.1	6.3	-	2.3	0.5
	PAR30 ⁽²⁾	0.4%	4.5% ⁽³⁾	0.7%	1.0%	2.5%	5.2%	NA	NA	NA
Impact	Social Return on Investment ⁽⁴⁾ (x)	4.67	5.86	2.42	2.80	3.60	3.45	-	4.82	2.22
	Average loan size (US\$)	264	4,005	640	3,647	147	176	NA	NA	NA
	Populations Served: % Women	100%	100%	81%	91%	100%	100%	-	23%	80%
	Total female beneficiaries impacted by the Loans	81,800	2,200	10,600	2,200	32,500	38,600	NA	11,500	6,400

⁽¹⁾ Katra Singapore a wholly-owned subsidiary of Katra India. The Loan will be made to Katra Singapore. Proceeds will be used to pre-purchase carotenoid extract products from Katra India.

⁽²⁾ PAR30 refers to the percentage (by value) of the Borrower's gross loan portfolio of client receivables which is overdue for 30 or more days as of the date of measurement.

⁽³⁾ Kinara Capital does not report PAR30. This figure represents PAR90, i.e., the percentage (by value) of Kinara's gross loan portfolio of client receivables which is overdue for 90 or more days as of the date of measurement.

⁽⁴⁾ Social Return on Investment ("SROI") is a measure of how much social and environmental impact, in dollar figures, is created for every dollar invested into the organization and/or program. The SROI of each Borrower is calculated by dividing the social value of impact created through primary outcomes by the total amount of investment capital being lent to that Borrower.

BORROWER PROFILES

MAXIMA MICROFINANCE PLC

Business Overview

Maxima Microfinance Plc (“**Maxima**”) is a mid-sized MFI, operating since 2000, that serves the rural market in Cambodia largely through individual loans. Its head office is in Phnom Penh, and the company operates branches across eight provinces including Kandal, Kam Pong Cham, Kam Pong Speu, Phnom Penh and Tokeo provinces. The institution operates through 14 branches, served 5,874 active borrowers and held outstanding loans of US\$21.4 million as of December 31, 2019. Over 98% of the loans were associated with individuals, of which more than 90% were women borrowers as of December 31, 2019. Maxima’s management team of three executive leaders and eleven persons is primarily comprised of local talent, and the team manages 171 employees (of which 68 are loan officers).

Proceeds from Maxima’s Loan will be on-lent to clients to expand Maxima’s operations. See “*Use of Proceeds*” and “*Risk Factors — Risks Arising from Activities of the Clients of the Borrowers*” in this Information Memorandum for additional information.

Shareholding and Governance

Maxima obtained a non-deposit taking MFI license in 2008, and in 2012 transformed from a private limited company to a public limited company. The institution has been majority owned by a Japanese microfinance investor, Gojo & Company Inc (“Gojo”), since 2014. Gojo currently holds a 61.6% stake and has continued to contribute to the institution’s capitalization and funding. Gojo reported Consolidated Net Assets of US\$83.8 million as of June 30, 2020.

The remaining shares in Maxima are held by five Cambodian nationals, including the founder-Chair who retains a 19.63% stake and the CFO who holds a 8.4% stake. Maxima had an equity base of US\$8.7 million as of December 31, 2019, of which US\$1.7 million, or 21.2%, was retained earnings.

Maxima’s governance practices are supported by the clearly defined roles of management and the board of directors. All the board members are non-executive directors, two of whom are independent. According to its articles of association, Maxima is required to set aside 5% of its net profit as reserve capital until these reserves reach 10% of its registered capital. As of December 31, 2019, reserve capital was 2.6% of registered capital. After setting aside these reserves, Maxima has paid dividends of approximately 19-20% of net profit over the past several years.

Operations, Products and Market

Maxima primarily targets the rural market in Cambodia and offers three loan products to low income individuals. The company’s clients are predominantly in rural areas, with approximately 83% rural borrowers as of December 31, 2019. Its loan portfolio is spread across 14 branches in eight of Cambodia’s 24 provinces, with 40% of its gross loan portfolio (“GLP”) originating from Kandal province and another 19% originating from Phnom Penh.

The vast majority of lending is channeled to individuals (98% of GLP) with the remaining channeled to groups. Maxima does not lend to formal enterprises. Maxima requires collateral in the form of either hard collateral (national registration of land title) or soft collateral (provincial registration). The group loans are structured as a joint liability between 2-6 people. For all loans, borrowers can choose to repay the principal either in monthly instalments, as an annuity or as a balloon payment, depending on the nature of their income and cash flow. Individual loan amounts range from US\$100 to US\$5,000, with tenors ranging from six to 48 months. SME loans are relatively larger (US\$5,000 to US\$27,000) and target clients operating in sectors such as grocery, wholesale and retail business, handicrafts, and manufacturing. Small group loans range from US\$50 to US\$500 with tenor ranging from six to 12 months.

Across its whole portfolio, Maxima has maintained high asset quality with greater than 30 day portfolio at risk (“PAR30”) level below 1.2% for the past five years (0.8% in December 2019).

Maxima operates in a highly competitive market, characterized by several MFIs competing with each other alongside commercial banks and deposit-taking MFIs. The company believes that competition and changing client demand are two of the top risks it faces. It seeks to mitigate these via two key distinguishing factors: providing ‘fast service’ and ‘emotional value’ to its clients, which enable it to compete with larger firms that enjoy advantages in terms of lower cost funding and economies of scale. Maxima was issued its Client Protection Principles (“**CPP**”) certification in July 2019. The CPPs outline best practices for client welfare in outreach and distribution, product design and transparency, compliant resolution systems, staff training and collection practices.

Funding Sources & Liquidity

As a non-deposit taking MFI, the majority of Maxima’s funding is sourced as debt. Maxima has repeat borrowing relationships with seven lenders, including a small number of international impact-oriented lenders (Oikocredit and Waterequity) and several local banks. The company also relies on its shareholders’ relationships with Japanese lenders to source debt.

Maxima has maintained relatively low leverage, with a debt to equity ratio of 1.7x as of December 2019. Subsequent to the reporting date, the majority shareholder Gojo has supported the company by helping to arrange US\$9 million in senior debt from Japanese banks for Maxima. Maxima has significant near-term maturities with almost US\$10.9 million (approximately 57%) of its total borrowed funds maturing within one year (by October 2021). However, 27% of assets are liquid, and almost 91% of this debt is owed to Gojo, which the company expects to be able to roll over given that it has done so in the past.

Maxima holds a strong capital buffer, with a CAR ratio of 35.9% as of December 2019, compared to the regulatory requirement of 15%.

Cambodia’s Riel is pegged to the US dollar, which mitigates currency risk. Maxima faces limited foreign exchange risk, as 90% of its debt is denominated in USD, as are 83% of its loan portfolio assets, each as of December 31, 2019. The regulatory limit for open currency positions is set at 20% of net assets, and the regulator requires all finance institutions to have loans in national currency (“**KHR**”) of at least 10% of total loan portfolio. As of December 31, 2019, Maxima is in compliance with these requirements. USD is the functional and reporting currency of Maxima.

Financial Results Commentary

Between 2016 and 2019, total assets grew at a CAGR of approximately 30% and GLP reached US\$21.4 million. Maxima has a capital adequacy ratio of 35.9% and retained earnings contributed 20% to its total equity as of December 31, 2019.

Maxima achieved 27.0% year-over-year growth in financial income in 2018 and 14.0% year-over-year growth in financial income in 2019. The company adapted its product design and operational cost base to the 18% p.a. interest rate cap introduced in 2017, generating 20% yield on loan portfolio (including fee income). Maxima has delivered pre-provision profit ROA (“**PPoP ROA**”) of over 3% and ROA of over 2% consistently since 2016.

Maxima’s cost base is controlled, with field efficiency growing from US\$160,000 in GLP and 76 clients per loan officer in 2016 to US\$315,000 in GLP and 86 clients per loan officer in 2019 as the company digitizes its systems. As of December 31, 2017, 2018 and 2019, Maxima held a GLP of US\$15.1 million, US\$18.5 million and US\$21.4 million, respectively. Maxima has maintained high asset quality with a greater than 90 day portfolio at risk (“**PAR90**”) of less than 1% for the past three years. As of December 31, 2017, 2018 and 2019, Maxima had a PAR30 of 0.8%, 0.6% and 1.0%, respectively.

Subsequent to the reporting period, Maxima implemented a restructuring policy in response to the COVID-19 pandemic that allows clients who can demonstrate genuine need to defer principal payments for up to six months. It has restructured approximately 720 loans as of August 31, 2020 (17% of its loan portfolio), with most clients electing for a 6-month principal payment deferral. Current collection efficiency is strong, with PAR30 at 1.23% as of August 31, 2020, though this does not include loans which have been restructured. Provision reserves are 1.44x of PAR30 loans as of August 31, 2020 and 80% of individual loans are secured by both hard and soft land titles.

COVID-19 Impact and Mitigation Statement

As of early October 2020, Cambodia had reported 280 COVID-19 cases, of which 5 were active, and no deaths. The government initially banned mass gatherings, closed schools and postponed national holidays, but has since relaxed restrictions and partly reopened schools in September. International arrivals are allowed, but all arriving foreigners are required to pay a US\$2,000 deposit to cover coronavirus testing and any possible medical costs and to self-quarantine for 14 days.

The global economic downturn has affected the economy – particularly the garment sector and the tourism sector – and has hit remittances as many Cambodians working in Thailand have been repatriated. These economic disruptions from COVID-19 affected Maxima’s clients mainly in the service, construction, and manufacturing sectors. Maxima has not reported any limitations on branch operations, and daily updates from branch offices about the situation of the clients and the economy are gathered to better respond to any issues.

Throughout the crisis, the government has worked constructively with the MFI sector to ensure that clients are protected without unduly burdening MFIs. On March 27, 2020 the National Bank of Cambodia (“NBC”) issued its “Guidance on Loan Restructuring during the COVID-19 Epidemic” (the “**Guidance**”) to banks and MFIs to offer loan restructuring options to clients whose livelihoods were impacted by the COVID-19 crisis. The following month, the NBC further requested that lenders waive late fees and penalties for their clients until the end of 2020. The government has also demonstrated support for the finance sector by relaxing minimum capitalization rules to aid the sector through these proposed restructuring measures. In November 2020, the NBC extended its Guidance, stating that banks and financial institutions can continue restructuring until June 30, 2021 in response to the impact from the COVID-19 pandemic as well as flash floods. The restructuring policy is broadly recommended but not compulsory.

Maxima implemented a restructuring policy that allows for deferral of principal repayments to requesting clients that can demonstrate genuine need, with most clients electing for a 6-month principal repayment holiday. The COVID-19 pandemic has resulted in a greater proportion of Maxima clients electing to make loan repayments via mobile payments service providers.

The ongoing effects of the COVID-19 pandemic may present significant hardships to the Borrowers and the Borrowers’ clients. See “*Risk Factors — Risks Relating to the Performance of the Loans — Risks Relating to the Current COVID-19 Pandemic.*”

Selected Consolidated Financial Information

Maxima’s audited consolidated financial statements as of and for each of the twelve months ended December 31, 2016 and 2017 included in this Information Memorandum have been prepared in accordance with Cambodian Accounting Standards and relevant regulations and guidelines issued by the NBC and audited by Deloitte (Cambodia) Ltd, which expressed an unqualified opinion on such financial statements. Maxima’s audited consolidated financial statements as of and for the twelve months ended December 31, 2018 have been audited by Deloitte (Cambodia) Ltd, which expressed an unqualified opinion on such financial statements, and have been restated in accordance with Cambodian International Financing Reporting Standard for Small and Medium-sized Entities (“CIFRS for SMEs”) as part of the audit of the consolidated financial statements for 2019. Maxima’s audited consolidated financial statements as of and for the twelve months ended December 31, 2019 included in this Information Memorandum have been prepared in accordance with CIFRS for SMEs and relevant regulations and guidelines issued by the NBC and audited by Grant Thornton Cambodia Ltd, which expressed an unqualified opinion on such financial statements.

Maxima Microfinance Plc.

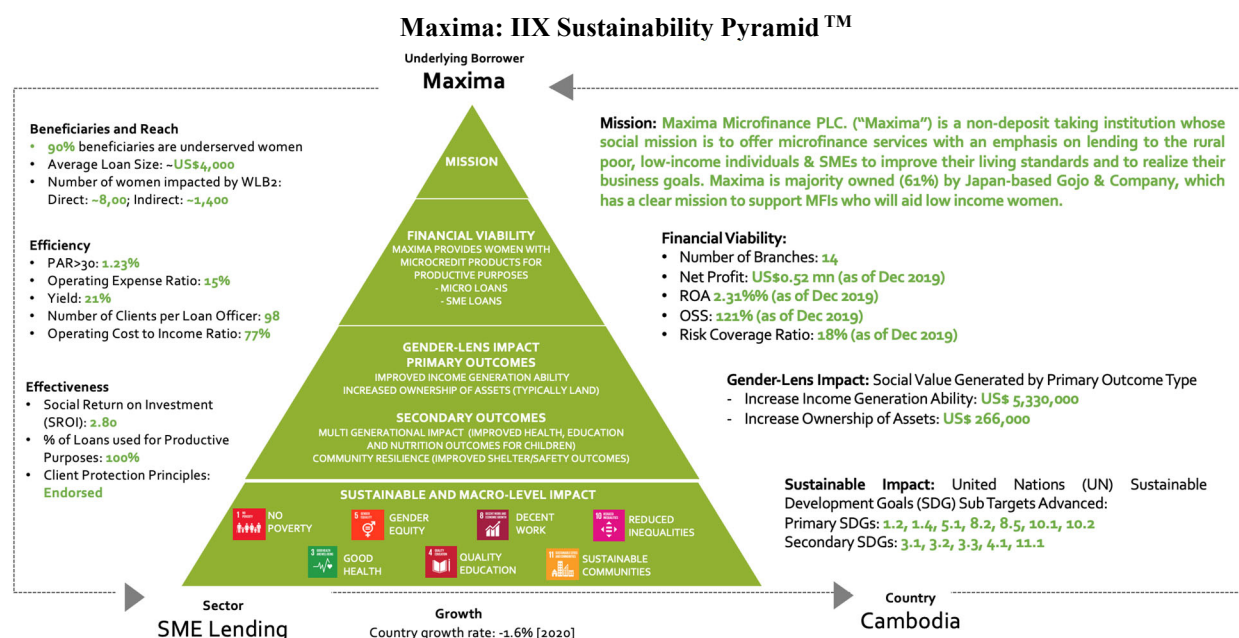
Maxima Microfinance Plc.	FY 2016	FY 2017	FY 2018	FY 2019
Balance Sheet (USD)	(Audited)	(Audited)	(Audited)	(Audited)
Assets				
Cash on hand	10,235	10,288	30,372	28,896
Balances with NBC	255,580	255,965	256,304	1,175,369
Balances with other banks	1,061,245	1,070,755	1,370,252	1,227,878
Loans to customers - net	9,727,358	15,007,833	18,325,175	21,393,825
Equity investment	10,000	10,000	10,000	10,000
Other assets	162,139	400,416	265,317	122,054
Property and Equipment	42,325	53,841	93,410	93,107
Intangible Assets	-	-	21,450	32,910
Deferred tax assets	49,717	58,631	34,564	34,564
Total assets	11,318,599	16,867,729	20,406,844	24,118,603
EQUITY AND LIABILITIES				
Equity				
Share Capital	5,095,290	5,095,290	5,095,290	5,095,290
Share premium	1,538,174	1,538,174	1,538,174	1,538,174
Reserves	67,862	87,537	113,805	133,424
Regulatory reserves	-	-	157,835	186,061
Retained earnings	887,254	1,318,172	1,313,320	1,702,488
Total equity	7,588,580	8,039,173	8,218,424	8,655,437
Liabilities				
Amounts due to shareholders	520,000	3,480,000	5,057,351	6,920,025
Borrowings	2,889,834	4,863,901	6,706,933	7,795,367
Provident fund obligations	92,873	127,666	-	-
Employee benefits obligation	-	-	58,079	52,499
Other liabilities	91,232	192,145	273,229	615,668
Current income tax liability	136,080	164,844	92,828	79,607
Total liabilities	3,730,019	8,828,556	12,188,420	15,463,166
Total equity and liabilities	11,318,599	16,867,729	20,406,844	24,118,603

Maxima Microfinance Plc.	FY 2016	FY 2017	FY 2018	FY 2019
Income Statement (USD)	(Audited)	(Audited)	(Audited)	(Audited)
Interest income	1,926,666	2,534,604	3,224,411	3,671,472
Interest expense	(223,868)	(442,426)	(925,158)	(1,189,561)
Net interest income	1,702,798	2,092,178	2,299,253	2,481,911
Fee and commission income	-	222,350	17,487	111,092
Fee and commission expense	(21,220)	(18,604)	(5,813)	-
Net fee and commission income	(21,220)	203,746	11,674	111,092
Other income	63,140	56,033	146,303	210,834
Total operating income	1,744,718	2,351,957	2,457,230	2,803,837
Personnel expenses	(641,270)	(916,942)	(1,066,608)	(1,285,738)
Operating expenses	(501,396)	(655,474)	(679,884)	(774,791)
Depreciation and amortization	(21,273)	(25,661)	(61,609)	(20,423)
Allowance for credit facilities	(54,097)	(41,056)	(106,540)	(21,423)
Profit before income tax	526,682	712,824	542,589	701,462
Income tax expense	(133,168)	(187,463)	(156,355)	(186,313)
Net profit for the year	393,514	525,361	386,234	515,149
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	393,514	525,361	386,234	515,149

Impact Overview

Maxima's social mission is to offer microfinance services with an emphasis on lending to the rural poor. This allows low-income individuals to improve their living standards and SMEs to realize their business goals. 92% of Maxima's clients are underserved women, mostly from low-income and peri-urban communities.

The proceeds of Maxima's Loan are expected to be used to expand its loan portfolio and create an estimated social value of approximately US\$5,596,000 over 4 years, directly impacting the livelihood of approximately 800 underserved women and indirectly impacting the lives of approximately 1,400 underserved women and girls while generating US\$2.80 of social value for every US\$1 invested. The figure below provides an overview of Maxima using IIX's proprietary impact assessment framework.



Primary Outcomes

Maxima will use its Loan to advance SDG 1: No Poverty, SDG 5: Gender Equality, SDG 8: Decent Work and Economic Growth and SDG 10: Reduced Inequalities through the following primary outcomes:

- Improved Income Generation Ability:** Approximately 100% of Maxima's loans are used for productive purposes such as setting up businesses which help low-income women increase their annual income. Such activities promote financial inclusion and enable women to lift themselves out of poverty. The estimated net social value generated for women clients through these micro-credit products is approximately US\$5,330,000.
- Increased Ownership of Assets:** A subset of approximately 11% of Maxima's loans are used for buying land which help women to increase their ownership of assets and ultimately enhance their safety when building houses on their land. The estimated social value of increased ownership of assets is approximately US\$266,000.

Secondary Outcomes

- Multi-Generational Impact:** Approximately 700 female family members are expected to indirectly benefit from improved health, nutrition, and education-related outcomes, thereby advancing SDG 3: Good Health and SDG 4: Quality Education.
- Community Resilience:** Increased ownership of assets from Maxima's loans enables women to purchase land for agricultural or housing purposes; approximately 11% of clients use their loans for these purposes. In field visits

homes were seen to be built with solid roofs or other home improvements made to improve weather resilience and safety where women and girls report feeling safer, thereby advancing SDG 11: Sustainable Cities and Communities.

CHAMROEUN MICROFINANCE PLC

Business Overview

Chamroeun Microfinance plc (“**Chamroeun**”) is a non-banking financial institution headquartered in Phnom Penh, Cambodia, and has been licensed by the NBC as a MFI since 2011. Chamroeun serves approximately 39,000 low-income clients, of which 81% are women. It operates a network of 21 branches and had an outstanding GLP of US\$26.7 million as of August 31, 2020.

Chamroeun is distinguished from its competitors as a provider focused on small individual loans – its average outstanding loan size is US\$770. Chamroeun employed 243 staff, of which 133 are loan officers, as of December 31, 2019. Subsequent to the end of the reporting period, the company added another 72 staff, of which 45 are loan officers as of August 31, 2020. The company achieved Client Protection Principles Certification in 2019.

Proceeds from Chamroeun’s Loan will be on-lent to clients to expand Chamroeun’s operations. See “*Use of Proceeds*” and “*Risk Factors — Risks Arising from Activities of the Clients of the Borrowers*” in this Information Memorandum for additional information.

Shareholding and Governance

Chamroeun is a public limited company and was fully acquired by ReNet Japan Group (“ReNet”) in 2018. ReNet is an affiliate of the Toyota group with a core business in Japan of reselling and recycling used consumer products. It also fully acquired Prévoir Cambodia Microinsurance and has a 51% shareholding in Mobility Finance Cambodia. ReNet was attracted by Chamroeun’s focus on the very poor, with the size of its loan per borrower historically being one of the smallest in the Cambodian microfinance industry.

Three out of seven of Chamroeun’s board members are ReNet representatives, and the board is currently chaired by Kuroda Takeshi, CEO of ReNet. There are four sub-committees of the board: the Audit Committee, the Risk Committee, the Social Performance Management Committee and the HR & Governance Committee. No changes have been made to the top management since ReNet’s acquisition.

Operations, Products and Market

Chamroeun’s target clients are low income female entrepreneurs in urban and semi urban areas, typically active as small market stallholders, ambulant vendors, persons conducting other small-scale business activities and rural farmers who need agri-financing to invest in crop production.

Chamroeun provides a diversified suite of loan products which are designed to cater to the needs of the economically-active poor. The company does not require collateral for loans of less than US\$750 and considers this to be a differentiator from the competition for its target client demographic. Loans are offered in either Cambodian Riels or U.S. dollars. The “Chamroeun Loan” is designed for entrepreneurial poor people requiring up to US\$1,000 for 3-18 months to start and/or expand businesses such as trading, production, services, and handicrafts. The “Entrepreneur Loan” offers a larger loan, with a maximum of US\$10,000 for up to 4 years. The “Developing Loan” is a group loan designed to financially support entrepreneurial poor people who need small loans of up to US\$750 for 3-18 months to run business activities.

As of December 31, 2019, Chamroeun’s portfolio consists of individual loans of 74.8% and group loans of 25.2%. The portfolio is diversified across sectors with 50.7% of clients operating in trade and commerce, 19.1% in agriculture, 12.2% in services, 5.3% in construction, 5.0% in transportation and 3.6% in household/family.

Chamroeun employed 73 women as of August 31, 2020 out of 315 total staff (23%). Five women are in leadership and management roles. Chamroeun’s employee retention rate in 2019 was 80%.

Funding Sources & Liquidity

Chamroeun has an equity base of US\$4.9 million and total assets of US\$26.1 million as of December 31, 2019. As a non-deposit taking MFI, the majority of Chamroeun's funding is sourced as debt. Chamroeun's liquid assets, comprising cash and bank balances, make up 17% of total assets. Its total funding included US\$19.8 million in borrowings and its debt to equity ratio is 4.1x as of December 31, 2019. Chamroeun has a large number of relationships with local and international funders for an organization of its size, and its parent company has demonstrated its willingness to intervene when there has been a need for liquidity. Subsequent to the end of fiscal year 2020, the boards of ReNet and Chamroeun approved a US\$5 million capital injection, which was approved by the National Bank of Cambodia ("NBC") on November 30, 2020.

As of August 31, 2020, Chamroeun faces limited foreign exchange risk, as approximately 66% of its borrowing is denominated in U.S. dollars while 38% of Chamroeun's client loan portfolio is denominated in U.S. Dollars. Cambodia's currency is tied to the U.S. dollar, reducing its currency exposure. As a regulated institution, Chamroeun is required by the NBC to maintain and report to the NBC as the regulator an open currency exposure of no more than 20% of net worth.

COVID-19 Impact and Mitigation Statement

As of early October 2020, Cambodia had reported 280 COVID-19 cases, of which 5 were active, and no deaths. The government initially banned mass gatherings, closed schools and postponed national holidays, but has since relaxed restrictions and partly reopened schools in September. International arrivals are allowed, but all arriving foreigners are required to pay a US\$2,000 deposit to cover coronavirus testing and any possible medical costs and to self-quarantine for 14 days.

The global economic downturn has affected the economy – particularly the garment sector and the tourism sector – and has hit remittances as many Cambodians working in Thailand have been repatriated. These economic disruptions from COVID-19 affected Maxima's clients mainly in the service, construction, and manufacturing sectors. Maxima has not reported any limitations on branch operations, and daily updates from branch offices about the situation of the clients and the economy are gathered to better respond to any issues.

Throughout the crisis, the government has worked constructively with the MFI sector to ensure that clients are protected without unduly burdening MFIs. On March 27, 2020 the NBC issued its "Guidance on Loan Restructuring during the COVID-19 Epidemic" (the "**Guidance**") to banks and MFIs to offer loan restructuring options to clients whose livelihoods were impacted by the COVID-19 crisis. The following month, the NBC further requested that lenders waive late fees and penalties for their clients until the end of 2020. The government has also demonstrated support for the finance sector by relaxing minimum capitalization rules to aid the sector through these proposed restructuring measures. In November 2020, the NBC extended its Guidance, stating that banks and financial institutions can continue restructuring until June 30, 2021 in response to the impact from the COVID-19 pandemic as well as flash floods. The restructuring policy is broadly recommended but not compulsory.

Chamroeun's COVID-19 responses aim first to safeguard the physical and emotional health of their staff and clients and second to ensure that they take all measures possible to maintain a healthy liquidity position. The operations team began conducting regular weekly meetings (from top management at headquarters, regional managers, and branch managers) to ensure any challenges at branches have been immediately raised and heard.

Chamroeun has temporarily waived all fees on both new disbursements and late payments. Chamroeun has offered clients the option to (1) restructure their loan, (2) avail of a new Social Emergency Loan ("**SEL**"), or (3) apply for a new loan with a grace period on principal payments of 3 – 5 months after settling their existing loan. Chamroeun's policy has been to restructure only when clients are in particularly difficult situations, and as of August 31, 2020 only 4.6% of the portfolio has been restructured, compared to the industry average of about 30%. The SEL is designed to provide additional support to existing clients who have suffered from any form of calamity, including illness, and has been well received, with 915 currently active SELs representing 0.7% of the total portfolio as of August 31, 2020. New loans with a grace period have been provided to 6,112 clients and make up 16.7% of the portfolio as of August 31, 2020.

The ongoing effects of the COVID-19 pandemic may present significant hardships to the Borrowers and the Borrowers' clients. See "*Risk Factors — Risks Relating to the Performance of the Loans — Risks Relating to the Current COVID-19 Pandemic.*"

Financial Results Commentary

Chamroeun has been profitable for the past four years after adapting to the interest rate cap of 18% p.a. imposed on all MFIs by the regulator in 2017. It has improved its profitability in 2018 and 2019 in part by increasing the loan sizes of some loan products, increasing fees and in part by restructuring operations to reduce costs.

In 2019, Chamroeun reported a profit of US\$1.2 million, with gross portfolio growth of 53.6% and profit growth of 148.9% as compared to 2018. The company kept its market focus on small productive loans, offering SME loans as a new product and better understanding of the vulnerable populations through field studies. Operational efficiency indicators have also improved, with average portfolio per loan officer increasing by 28% from US\$124,000 in 2018 to US\$150,000 in 2019. Chamroeun had a GLP of US\$21.3 million, US\$13.9 million and US\$10.3 million as of December 31, 2019, 2018 and 2017, respectively.

Subsequent to the reporting period, performance in 2020 has been dominated by COVID-19. Chamroeun has generated a profit of US\$600,000 for the 6 months ended June 30, 2020. As of August 31, 2020, PAR30 remains low at 0.9%, but does not include the 4.6% of restructured loans and the 16.7% of portfolio offered as new loans with a grace period on principal payments of up to 3-5 months. Chamroeun had a PAR30 of 0.7%, 1.5% and 3.4% as of December 31, 2019, 2018 and 2017, respectively.

Selected Consolidated Financial Information

Chamroeun’s audited consolidated financial statements as of and for each of the twelve months ended December 31, 2016 and 2017 included in this Information Memorandum have been prepared in accordance with Cambodian Accounting Standards and relevant regulations and guidelines issued by the NBC and audited by Deloitte (Cambodia) Ltd, which expressed an unqualified opinion on such financial statements. Chamroeun’s audited consolidated financial statements as of and for the twelve months ended December 31, 2018 have been audited by Deloitte (Cambodia) Ltd, which expressed an unqualified opinion on such financial statements, and have been restated in accordance with Cambodian International Financing Reporting Standard for Small and Medium-sized Entities (“**CIFRS for SMEs**”) as part of the audit of the consolidated financial statements for 2019. Chamroeun’s audited consolidated financial statements as of and for the twelve months ended December 31, 2019 included in this Information Memorandum have been prepared in accordance with CIFRS for SMEs and relevant regulations and guidelines issued by the NBC and audited by BDO Cambodia Ltd, which expressed an unqualified opinion on such financial statements.

Chamroeun Microfinance Plc

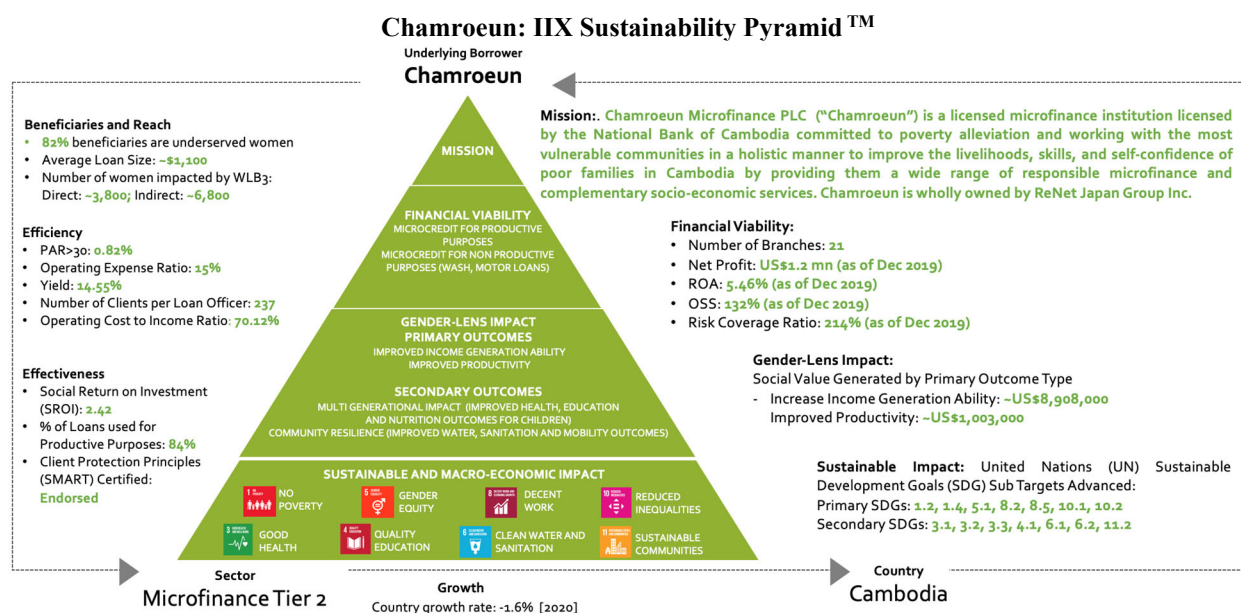
Chamroeun Microfinance Plc	FY 2016	FY 2017	FY 2018	FY 2019
Balance Sheet (USD)	(Audited)	(Audited)	(Audited)	(Audited)
ASSETS				
Cash on hand	28,348	34,663	27,638	22,806
Balances with National bank of Cambodia	1,045,408	74,488	77,359	1,818,619
Balances with other banks	2,172,310	1,579,672	2,471,541	2,488,778
Loans to customers	7,906,379	9,978,009	13,603,715	21,037,603
Other receivables	451,381	372,180	335,992	401,200
Property and Equipment	109,694	103,871	63,481	102,726
Intangible Assets	17,125	25,556	111,968	122,471
Deferred tax assets	-	-	81,373	125,974
TOTAL ASSETS	11,730,645	12,168,439	16,773,068	26,120,177
LIABILITIES AND EQUITY				
LIABILITIES				
Borrowings	8,861,286	9,225,614	13,015,101	19,847,478
Deposits from customers	212,589	237,510	159,777	153,277
Other payables	166,341	124,287	488,237	935,585
Current tax liabilities	3,215	6,877	139,930	299,849
TOTAL LIABILITIES	9,243,431	9,594,288	13,803,045	21,236,190
EQUITY				
Share capital	1,188,473	1,425,673	1,475,127	2,225,598
Share premium	135,209	1	1	1
Regulatory reserve	17,274	21,621	160,635	226,988
Other reserve	-	-	45,970	104,145
Donated capital	-	-	-	503,039
Subordinated debt	947,073	947,073	947,073	444,034
Retained earnings	199,185	179,782	341,216	1,380,183
TOTAL EQUITY	2,487,214	2,574,151	2,970,022	4,883,987
TOTAL LIABILITIES AND EQUITY	11,730,645	12,168,439	16,773,068	26,120,177

Chamroeun Microfinance Plc	FY 2016	FY 2017	FY 2018	FY 2019
Income Statement (USD)	(Audited)	(Audited)	(Audited)	(Audited)
Interest income	3,707,814	2,402,431	2,386,471	3,524,367
Interest expense	(970,862)	(779,664)	(1,123,484)	(1,243,574)
Net interest income	2,736,952	1,622,766	1,262,987	2,280,793
Allowance for doubtful loans	(239,848)	(238,161)	(93,659)	(71,993)
Other operating income	568,085	1,479,934	2,139,429	2,582,686
Personnel expenses	(1,784,627)	(1,544,293)	(1,424,707)	(1,804,433)
Depreciation and amortisation expenses	(49,983)	(50,740)	(62,700)	(47,915)
General and administrative expenses	(1,086,742)	(1,140,988)	(1,253,154)	(1,458,589)
Profit before tax	143,837	128,519	568,196	1,480,549
Tax expense	(40,959)	(41,090)	(98,024)	(310,472)
Profit for the financial year	102,879	87,428	470,172	1,170,077
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the financial year	102,879	87,428	470,172	1,170,077

Impact Overview

Chamroeun is a Cambodian MFI committed to poverty alleviation for the most vulnerable communities through socially responsible microfinance services. 82% of Chamroeun's clients are underserved women, mostly from low-income and peri-urban communities.

Proceeds from Chamroeun's Loan are expected to be used to expand its loan portfolio and create an estimated social value of approximately US\$9,911,000 over 4 years, directly impacting the livelihood of approximately 3,800 underserved women and indirectly impacting the lives of approximately 6,800 underserved women and girls while generating US\$2.42 of social value for every US\$1 invested. The figure below provides an overview of the impact using the IIX Sustainability Pyramid™.



Primary Outcomes

Chamroeun will use its Loan proceeds to advance SDG 1: No Poverty, SDG 5: Gender Equality, SDG 8: Decent Work and Economic Growth and SDG 10: Reduced Inequalities through the following primary outcomes:

- Improved Income Generation Ability:** Approximately 84% of Chamroeun's loans are used for productive purposes such as setting up businesses which help low-income women increase their annual income. Such activities promote financial inclusion and enable women to lift themselves out of poverty. The estimated net social value generated for women clients through these micro-credit products is approximately US\$8,908,000.
- Increased Productivity:** Chamroeun offers WASH and Motor loans, which help women save time that can be put towards other productive purposes and can improve overall quality of life. Improved access to clean water and proper sanitation facilities (via WASH loans) and faster, more convenient transportation options (via Motor loans) enable women Borrowers to save between 2 to 4 hours per day. The estimated net social value generated for women clients through these products is approximately US\$1,003,000.

Secondary Outcomes

- Multi-Generational Impact:** A further approximately 3,400 female family members are expected to indirectly benefit from improved health, nutrition, and education-related outcomes, thereby advancing SDG 3: Good Health and SDG 4: Quality Education.

- Community Resilience: WASH loans will benefit the entire community by reducing the risk of communicable, water-borne diseases through improved access to safe drinking water and hygienic sanitation facilities. As such, the loan to Chamroeun will advance SDG 6: Clean Water and Sanitation. Additionally, motor loans help improve the connectivity of underserved communities and provide vulnerable low-income women and their families with access to safe, affordable transportation, thereby advancing SDG 11: Sustainable Cities and Communities.

NEGROS WOMEN FOR TOMORROW FOUNDATION, INC.

Business Overview

Founded in 1984, Negros Women for Tomorrow Foundation, Inc. (“NWTF”) began as a non-governmental organization, and registered as a non-stock, not-for-profit company with the Securities and Exchange Commission of the Philippines in 1986. NWTF provides Grameen-style (group) micro financing, savings, insurance and developmental services to the marginalized urban and rural poor of the Central Philippines. NWTF serves approximately 584,000 female savings clients and borrowers with a gross loan portfolio of US\$82.7 million through its network of 194 branches in 9 regions as of December 31, 2019. Approximately 99% of its clients are women and its average loan size is US\$147 as of December 31, 2019.

Proceeds from NWTF’s Loan will be on-lent to clients to expand NWTF’s operations. See “*Use of Proceeds*” and “*Risk Factors - Risks Arising from Activities of the Clients of the Borrowers*” in this Information Memorandum for additional information.

Shareholding and Governance

NWTF is a non-stock, non-profit corporation. NWTF’s operations are guided by a board of seven trustees. All profit is retained and reinvested into the business. The board is chaired by Maria Teresa L. Montelibano, who was one of the original incorporators of NWTF in 1986 and has since served as member of the Board of Trustees. Out of the seven trustees, three new trustees were elected to the Board during the 2019 annual elections. Trustees serve for 3-year terms and must “rest” for at least 1 year after serving 9 years. The Executive Director, Ms. Suzette Gaston, took on the role in 2018 after 34 years as Director of Administration and Finance.

NWTF’s governance structure includes five board committees: the Risk and Finance Committee; the Audit Committee; the HR and Compensation Committee; the Governance Committee and the Social Performance Management Committee. Each committee is composed of three trustees, two non-executive foundation members, and two executive members.

Operations, Products and Market

NWTF’s female target clients are engaged in small-scale retail and food vending enterprises as well as agricultural and fishing livelihoods. The sectoral exposure of the portfolio for client businesses is concentrated in sari-sari stores at 23.6%, retailing at 25.3%, trading at 21.7% and agri-based loans at 15.1% as of December 31, 2019.

NWTF offers both group and individual loans.

- Project Dunganon offers group-based ‘General loans’ utilizing the Grameen lending methodology. For the first cycle, a loan of US\$21 to US\$106 needs to be repaid in three months. The loan amount and the repayment period increases with each succeeding loan cycle up to a maximum amount of US\$634 and a maximum tenor of 12 months. NWTF also offers a ‘Special Loan’ made available to members who have a good repayment record, perfect attendance in center meetings, and an updated and approved complete cash flow analysis. Special Loans can be used for green products, housing, sanitation, or education, among others.
- Project Kasanag offers individual micro-business loans designed for micro-entrepreneurs in need of additional capital for their growing business. Loans range from US\$620 to US\$2,113. Such a loan also requires collateral, a guarantor, and a guarantee from the immediate family members of the borrowers. This product is targeted to micro-entrepreneurs who are ready to scale-up or expand their business and is accompanied by client-support services, business evaluations and entrepreneurial seminars.

As of December 31, 2019, NWTF’s loan portfolio is comprised of General Loans of 71.4%, Special Loans of 18.6%, Project Kasanag Individual Loans of 5.4%, and other tailored products of 4.6%.

NWTF offers mainly three types of savings accounts to clients: the Individual Compulsory Fund (“ICF”), comprising 5% of the loan amount which is collected from members weekly and which can be withdrawn for emergencies; a Pag-

asa Fund (“PF”) for center savings, which is used to pay for missed loan payments by group members; and an Alkansiya Fund (“AF”), a voluntary savings account which members can withdraw anytime for any reason. (ICF and PF are classified as ‘Compulsory savings’ on NTWF’s balance sheet.)

NWTF also offers micro-insurance services through its Mutual Aid Fund (“MAF”) on a voluntary basis covering death, hospital reimbursement as well as burial assistance in collaboration with a third-party insurance provider. (AF and MAF are classified as ‘Voluntary savings’ on NWTF’s balance sheet.)

Compulsory savings and voluntary savings account for 57.4% (ICF – 48.9%, PF 8.6%) and 42.6% (MAF – 30.1%, AF – 12.5%) of NWTF’s savings portfolio, respectively, as of December 31, 2019.

The majority of NWTF’s employees are women, comprising 62% of the total staff of 3,823, and its employee retention rate was 72% as of December 31, 2019.

Funding Sources & Liquidity

NWTF boasts a strong equity base of US\$41.7 million and total assets at US\$109.5 million, with deposits of US\$48.4 million as of December 31, 2019 supporting 44% of assets. Leverage is low with liabilities (including client deposits)/equity of 1.63x as of December 31, 2019.

NWTF has a relatively liquid balance sheet. Liquid assets, comprising cash and bank balances, make up 6% of total assets (US\$6.7 million) and bank borrowings and debt securities account for 4% of assets as of December 31, 2019 (US\$4.2 million). The majority of NWTF’s borrowings are sourced from local lenders and are PHP-denominated. 23.8% of debt is in USD (representing loans issued with proceeds from the WLB1 Bond). The amount of cash recorded on its balance sheet as of December 31, 2019 is 1.6x the amount of debt.

Financial Results Commentary

Between 2016 and 2019, total assets grew at a CAGR of 18% and GLP reached US\$82.7 million. NWTF has a capital adequacy ratio of 40.6% and total equity is comprised entirely of retained earnings as of December 31, 2019. NWTF had a GLP of US\$82.7 million, US\$64.8 million and US\$50.5 million as of December 31, 2019, 2018 and 2017, respectively.

Historically, NWTF has been a profitable operation, delivering high ROAs consistently on account of strong portfolio yields, which has been more than enough to offset funding costs, operating costs and provisioning charges. Profitability has dropped somewhat from greater than 9% ROA in 2018 to 6.35% ROA in 2019 due to operating cost pressure and increased provisioning costs.

NWTF has maintained strong asset quality, with a PAR30 as of December 31, 2019, 2018 and 2017 of 2.5%, 1.4% and 1.2%, respectively. Subsequent to the reporting period, and as a result of the disruptions from efforts to control the effects of the COVID-19 pandemic, NPL ratios have jumped, with PAR30 increasing to 4% as of June 30, 2020. Provisioning coverage for these loans is high at 106% of PAR30 and 128% of PAR90. However, NWTF’s loan book continues to be affected by loan moratoriums imposed in certain regions. As of July 31, 2020, 22% of its loans (US\$14 million) are under a moratorium imposed due to the COVID-19 pandemic and remain unclassified, where interest and principal payments can be deferred for the duration of the moratorium period.

COVID-19 Impact and Mitigation Statement

The Philippines was one of the first countries in the region to impose extensive restrictions on movement and activities in mid-March. These were relaxed towards the end of the second quarter of fiscal year 2020, with President Duterte revising the quarantine classifications of various cities and regions despite an ongoing spike in COVID-19 cases. Lockdowns of various stages of severity have continued in certain regions to date. NWTF initially saw a significant impact on operations at many branches. Operations were suspended in all branches from March 16, 2020 and recommenced gradually based on the branch areas’ quarantine statuses. While branch operations were suspended, NWTF offered only the following services with a skeletal staff: (1) acceptance of voluntary payments, (2) loan renewal

to clients who had fully paid their loans, (3) processing of insurance claims and memorial services and (4) providing useful information on health, protection and business trainings.

As of August 31, 2020, all of NWTF's existing branches have reopened but are operating under governmental guidelines. NWTF has classified its branch operations into four operating scenarios, with over half of the portfolio (as of July 31, 2020) managed by branches operating under the 'new normal', an additional 17% with limited loan officer visits to groups, another 25% of portfolio on a 'work from home' and virtual visit scheme, and 8% of portfolio on a mix of the above three scenarios. Voluntary payments are accepted at bank branches in all locations. Policies on social distancing, minimum public health standards and other COVID-19 related preventive measures are strictly observed. Branches are abiding by their respective Local Government Units' pronouncements. NWTF's actions are focused towards keeping minimum impact on their financials and ensuring maximum protection of its staff without compromising the needs of the clients.

Expansions for additional branches have been put on hold. NWTF is now focused on sustainability of its operations in compliance with national regulations.

Due to a new one-time 60-day moratorium period imposed from September 30, 2020 announced by the Philippine government, NWTF clients may defer principal repayments, but clients have the option to make repayment voluntarily. Interest continues to accrue during the moratorium period and is payable at the end of the moratorium period.

The ongoing effects of the COVID-19 pandemic may present significant hardships to the Borrowers and the Borrowers' clients. See "*Risk Factors — Risks Relating to the Performance of the Loans — Risks Relating to the Current COVID-19 Pandemic.*"

Selected Consolidated Financial Information

NWTF's audited consolidated financial statements as of and for each of the twelve months ended December 31, 2016, 2017, 2018 and 2019 included in this Information Memorandum have been prepared in accordance with Philippine Financial Reporting Standards and audited by KPMG (Philippines) Ltd, which expressed an unqualified opinion on such financial statements.

Negros Women For Tomorrow Foundation

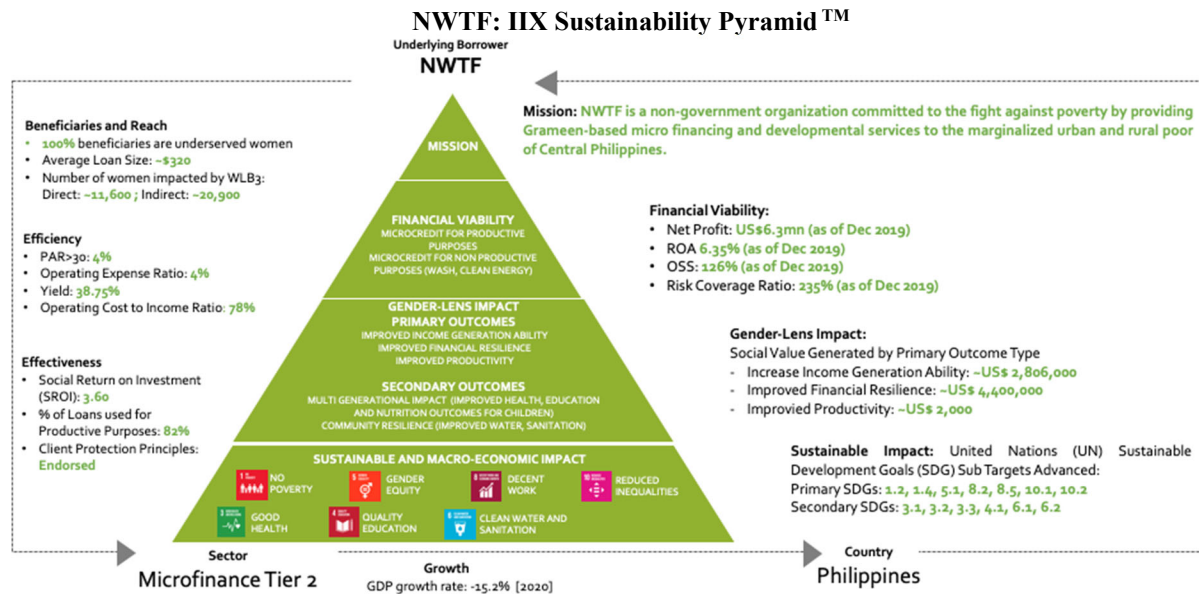
Negros Women For Tomorrow Foundation	FY 2016	FY 2017	FY 2018	FY 2019
Balance Sheet (USD)	(Audited)	(Audited)	(Audited)	(Audited)
ASSETS				
Current Assets				
Cash and cash equivalents	5,360,025	7,792,785	6,982,508	6,729,609
Short-term investments	489,464	1,057,890	517,619	-
Receivables - net	44,711,429	56,429,966	72,183,558	90,383,711
Due from subsidiaries	235,214	317,133	743,056	398,425
Other current assets	1,014,091	992,920	1,162,633	1,720,782
Total Current Assets	51,810,223	66,590,694	81,589,375	99,232,527
Noncurrent Assets				
Financial assets at fair value through other comprehensive income	486,625	451,987	273,143	10,239
Investments in subsidiaries	1,538,188	1,538,188	1,722,771	2,215,898
Property and equipment - net	3,249,610	4,166,486	4,849,312	6,553,222
Investment properties - net	104,569	95,390	86,206	77,030
Right-of-use assets - net	-	-	-	1,364,421
Long-term time deposit	56,822	344,072	372,256	-
Total Noncurrent Assets	5,435,814	6,596,123	7,303,689	10,220,811
	57,246,037	73,186,817	88,893,064	109,453,337
LIABILITIES AND FUND BALANCE				
Current Liabilities				
Accounts payable and other current liabilities	8,712,129	9,779,015	9,272,108	9,833,933
Due to members	27,105,625	33,891,694	41,987,829	48,404,830
Current portion of loans payable	760,555	629,445	964,304	3,197,463
Current portion of lease liabilities	-	-	-	421,458
Income tax payable	-	-	181,883	238,058
Total Current Liabilities	36,578,309	44,300,155	52,406,124	62,095,741
Noncurrent Liabilities				
Retirement Liabilities	421,010	483,737	337,162	3,775,525
Loans payable - net of current portion	156,615	1,159,676	1,035,238	996,943
Lease Liabilities - net of current portion	-	-	-	892,888
Total Noncurrent Liabilities	577,625	1,643,413	1,372,399	5,665,355
Total Liabilities	37,155,934	45,943,568	53,778,524	67,761,096
Fund Balance	20,090,103	27,243,249	35,114,540	41,692,241
	57,246,037	73,186,817	88,893,064	109,453,337

Negros Women For Tomorrow Foundation	FY 2016	FY 2017	FY 2018	FY 2019
Income Statement (USD)	(Audited)	(Audited)	(Audited)	(Audited)
REVENUES				
Interest income	13,108,939	16,732,814	22,387,437	27,851,185
Service fees	2,547,476	3,232,356	4,131,966	5,017,154
Insurance commission	-	599,290	1,902,197	2,491,696
Development fund	1,744,709	1,634,502	1,097,504	1,520,830
Income from green products	250,237	532,963	525,057	685,836
	17,651,362	22,731,925	30,044,161	37,566,701
COST AND EXPENSES				
Due to members	480,726	633,626	-	-
Loans payable	19,805	77,580	-	-
Interest expense	-	-	985,127	1,354,017
Impairment losses	381,754	451,954	727,416	1,149,606
Other expenses	11,806,385	15,114,994	20,249,300	25,611,643
	12,688,670	16,278,154	21,961,843	28,115,266
OTHER REVENUES				
Bad debts recovery	19,863	299,674	-	-
Foreign exchange gain - net	184,974	-	-	52,103
Miscellaneous	339,711	266,064	175,157	318,389
	544,548	565,738	175,157	370,492
EXCESS OF REVENUES OVER EXPENSES	5,507,240	7,019,508	8,257,475	9,821,927
INCOME TAX EXPENSE	-	-	693,279	873,417
NET EXCESS OF REVENUES OVER EXPENSES	5,507,240	7,019,508	7,564,196	8,948,511
OTHER COMPREHENSIVE (LOSS) INCOME				
<i>Items that will not be reclassified to the statement of revenues and expenses</i>				
Remeasurement of net retirement liability	(145,809)	49,006	42,662	(2,650,893)
<i>Items that may not be reclassified to the statement of revenues and expenses</i>				
Net change in financial assets at fair value through other comprehensive (loss) income	51,782	5,050	(4,292)	3,857
	(94,027)	54,056	38,370	(2,647,036)
TOTAL COMPREHENSIVE INCOME	5,413,213	7,073,564	7,602,566	6,301,475

Impact Overview

NWTF is a non-profit organization committed to the fight against poverty through providing Grameen-style micro financing and developmental services to the marginalized urban and rural poor of Central Philippines. They have 100% women beneficiaries representing 538,569 women.

Proceeds from NWTF's Loan are expected to be used to expand its loan portfolio and create an estimated social value of approximately US\$7,208,000 over 4 years, directly impacting the livelihood of approximately 11,600 underserved women and indirectly impacting the lives of approximately 20,900 underserved women and girls while generating US\$3.60 of social value for every US\$1 invested. The figure below provides an overview of the impact using the IIX Sustainability Pyramid™.



Primary Outcomes

NWTF will use its Loan proceeds to advance SDG 1: No Poverty, SDG 5: Gender Equality, SDG 8: Decent Work and Economic Growth and SDG 10: Reduced Inequalities through the following primary outcomes:

- Improved Income Generation Ability:** Approximately 82% of NWTF's loans are used for productive purposes such as setting up businesses which help low-income women increase their annual income. Such activities promote financial inclusion and enable women to lift themselves out of poverty. The estimated net social value generated for women clients through these micro-credit products is approximately US\$2,806,000.
- Improved Financial Resilience:** NWTF offers micro-insurance and micro-savings products to 100% of its customers providing an estimated net social value of approximately US\$4,400,000 through micro-insurance products.
- Improved Productivity:** NWTF offers WASH loans, which help women save time and improve overall quality of life. Improved access to clean water and proper sanitation facilities enable women borrowers to save approximately 3 hours per day on average which can be used for other productive purposes. The estimated net social value generated for women clients through these products is approximately US\$2,000.

Secondary Outcomes

- Multi-Generational Impact: A further approximately 10,500 female family members are expected to indirectly benefit from improved health, nutrition, and education-related outcomes, thereby advancing SDG 3: Good Health and SDG 4: Quality Education.
- Community Resilience: An estimated 2,200 female community members will experience improved health and hygiene related outcomes due to NWTF's WASH loans.

CREDITACCESS PHILIPPINES FINANCING COMPANY, INC

Business Overview

CreditAccess Philippines Financing Company, Inc (“**One Puhunan**”) is a microfinance institution established in 2014. One Puhunan is a subsidiary of CreditAccess SEA B.V., the Southeast Asian unit of a financial services provider based in Amsterdam, Netherlands with total assets of US\$40 million (or US\$170 million on a consolidated group basis). One Puhunan’s main purpose is to provide loans to low-income women. It uses a group-lending methodology with individual liability. One Puhunan started operations in May 2015 and focused on expansion for its first two years of operations, reaching 100,000 clients in 2016 through 110 branches. From 2017, One Puhunan focused on operational efficiency and market penetration in existing geographies, and recently reached the milestone of 1 million loans disbursed. From fiscal year 2018 to fiscal year 2020, its client base has grown by 52%, and as of March 31, 2020, it was serving over 260,000 clients through 230 branches, with a total GLP of US\$45.9 million. Its workforce is comprised of over 1,700 employees, including 1,400 field staff.

As of March 31, 2020, One Puhunan had a presence throughout Luzon and East Mindanao, with approximately 25% of its portfolio in Calabarzon, followed by 16% in Central Luzon and 13% in the Davao Region. 83% of the portfolio is allocated to clients in the trading sector (mostly sari-sari shop owners). Its head office is located in Manila, and is supported by three regional offices.

Proceeds from One Puhunan’s Loan will be on-lent to clients to expand One Puhunan’s operations. See “*Use of Proceeds*” and “*Risk Factors - Risks Arising from Activities of the Clients of the Borrowers*” in this Information Memorandum for additional information.

Shareholding and Governance

One Puhunan is a microfinance institution regulated by the Securities and Exchange Commission of the Philippines and is headquartered in Manila. It is fully owned by CreditAccess SEA B.V. One Puhunan was established in 2014 by CreditAccess Asia N.V. a financial services provider based in Amsterdam, Netherlands founded in 2006 with total assets of US\$170 million on a consolidated group basis. Through a demerger in January 2020, CreditAccess Asia N.V. split into two companies, CreditAccess SEA B.V., the parent company of One Puhunan, and CreditAccess India N.V., which remain under common ownership.

One Puhunan’s board of directors comprises five directors, including Daniele Rovere (One Puhunan’s CEO), Christian Banno (Chief of Strategic Investments at CreditAccess SEA B.V.), and two independent directors. It is chaired by Massimo Vita, who has almost 20 years of experience in the microfinance sector in developing countries.

Operations, Products and Market

One Puhunan’s main business is to provide microloans to low-income women in the Philippines, with the mission of provide financing that is transparent and simple for customers to understand. As of September 30, 2020, it is the only microfinance institution in the Philippines that provides loans without a mandatory savings requirement and without charging a processing fee.

One Puhunan uses a group loan methodology with individual liability. Its loans are in the range of US\$50 to US\$1,000, with the average outstanding loan size being US\$176 as of March 31, 2020. Its group loans have a 6-month tenor and a bi-weekly repayment schedule. One Puhunan was the first MFI in the Philippines to introduce bi-monthly repayment (as opposed to weekly collections). As of March 31, 2020, the group loan product totaled US\$43.29 million, or 93% of GLP.

In 2017 One Puhunan rolled out an individual loan product, targeting higher loan sizes for microenterprises. In early 2020, One Puhunan management took the decision to wind down this product and is currently in the process of redesigning its features.

One Puhunan provides life insurance to all its customers at no additional cost and offers an optional accident insurance. Subsequent to the end of the reporting period, One Puhunan launched a microinsurance product covering clients against infectious diseases, including COVID-19 and dengue fever.

One Puhunan's workforce consisted of approximately 1,900 employees as of March 31, 2020, of which approximately 1,600 are field staff. Subsequent to the end of the 2020 fiscal year, One Puhunan management decided to merge its two sales teams; one focused on group lending (approximately 1,500 employees), and the other on individual lending (approximately 100 employees).

One Puhunan has a feet-on-street business model, with loan officers approaching members of their assigned barangays (Filipino towns) to create new centers. Each center is comprised of 5-15 members, out of which a center lead is appointed. Credit information is collected by loan officers using tablets and the credit assessment is performed by the loan officers together with the branch manager.

One Puhunan considers ASA Philippines Foundation and CARD Inc. to be its largest competitors. According to management, its main competitive advantages are its absence of fees (processing, administrative, membership, legal, and other fees which are commonly charged by competitors) and of savings deposit requirement, and its fortnightly repayment schedule (all other MFIs collect on a weekly basis).

Funding Sources & Liquidity

As of March 31, 2020, One Puhunan's equity was comprised of a US\$12.6 million investment made by CreditAccess. Moreover, in fiscal year 2019 CreditAccess injected US\$2.9 million of capital through convertible subordinated debt. Subsequent to fiscal year 2020, approval was received from the boards of both One Puhunan and CreditAccess for conversion of this sub-debt into equity, which is expected to take place within the next six months once cleared by the regulator.

One Puhunan's balance sheet is supported mostly by debt, with 72% of its capital being borrowings (accounting for the sub debt as equity) as of March 31, 2020. It has received loans from its affiliate, CreditAccess India N.V., which account for 24% of One Puhunan's borrowings (excluding subordinated debt) as of March 31, 2020. One Puhunan's debt to equity ratio (accounting for subordinated debt as equity) increased from 4.04x as of March 30, 2020 to 5.19x as of September 30, 2020, due to (i) an increase in debt and (ii) a decrease of US\$1.2 million in retained earnings due to One Puhunan's net loss in the first half of the fiscal year.

One Puhunan's lender base consists solely of international lenders. In May 2020, in the context of the COVID-19 pandemic and the lockdowns and moratoriums mandated by the government of the Philippines, One Puhunan's lenders entered into an informal, non-binding handshake agreement that expresses the intention of all lenders to allow One Puhunan to defer payment of principal and relax some financial covenants for a period of six months without imposing sanctions for non-compliance of loan contract terms. The terms of the loan revert in November 2020.

As of March 31, 2020, its borrowings have an average tenor of 15.7 months, compared to its 6-month tenor on disbursed loans. This allows One Puhunan to manage its liquidity through its level of disbursements every month. As of March 31, 2020, its liquid assets/total assets ratio was 12%. In June 2020, this ratio had increased to 16% through a slowdown in disbursements.

Financial Results Commentary

From fiscal year 2017 to fiscal year 2020, One Puhunan grew its GLP by a CAGR of 42% by expanding into new geographic regions and increasing its customer reach in each of its branches. One Puhunan achieved profitability in fiscal year 2019, delivering a net profit of US\$645,000, which translates into an ROA of 1.86% and ROE of 11.54%. One Puhunan's GLP was US\$23.6 million, US\$35.2 million and US\$45.9 million as of March 31, 2018, 2019 and 2020, respectively.

One Puhunan had a PAR30 of approximately 5.2%, 4.4% and 4.7% as of March 31, 2020, 2019 and 2018, respectively. Subsequent to the fiscal year 2020, One Puhunan saw an increase in PAR30 to 18% as of August 31, 2020 due to the loan moratorium imposed by the government and the economic effects of the COVID-19 pandemic.

Prior to the COVID-19 pandemic, PAR30 provisioning had been over 110% since fiscal year 2018, being 119% as of March 31, 2020. Subsequent to fiscal year 2020, provisions have increased by over 50% as of August 31, 2020. However, the increase in PAR30 due to the moratorium has resulted in PAR30 provisioning of 50% as of end-August. In the six months ended September 30, 2020, One Puhunan had a net loss of US\$1.2 million year-to-date, primarily because it was prevented from making collections on client interest and principal during the compulsory regulatory moratorium period from March to June 2020, and thereafter in some regions where localised lock-downs remained in place. One Puhunan moved back into profitability in September 2020.

One Puhunan's fiscal year ends on March 31.

COVID-19 Impact and Mitigation Statement

The Philippines was one of the first countries in the region to impose extensive restrictions on movement and activities in mid-March, which were especially strict around the Metro Manila area. These were relaxed towards the end of June 2020, with President Duterte revising the quarantine classifications of various cities and regions despite an ongoing spike in COVID-19 cases. Lockdowns of various stages of severity have continued in certain regions to date. Restricted movement together with the loan moratorium mandated by the government had a significant impact on One Puhunan. Prior to the start of COVID-19, One Puhunan had incorporated processes to allow all staff to work from home, as a cautionary measure given the Philippines is highly prone to natural disasters. This allowed the head office staff to smoothly transition to work from home. At the branches, all operations were suspended from March 16, 2020 and recommenced gradually based on the branch areas' quarantine statuses. During the first moratorium, One Puhunan did not accrue interest to its borrowers other than a 5% interest on the outstanding loan size, payable with the last instalment.

One Puhunan saw an uptake in client payments mid-year, with 70% of clients servicing their loan within the first month of the moratorium lifting in June. Since then, recovery has improved, with PAR30 being 18% as of August 31, 2020. One Puhunan has implemented all standard safety measures at its branches (temperature taking, disinfectant, safe distancing).

For the new moratorium covering the period of September to end of December, One Puhunan's board has determined that it will accept voluntary payments and accrue interest at the standard rate applicable to the loan for customers who elect to defer payments.

The ongoing effects of the COVID-19 pandemic may present significant hardships to the Borrowers and the Borrowers' clients. See "*Risk Factors — Risks Relating to the Performance of the Loans — Risks Relating to the Current COVID-19 Pandemic.*"

Selected Consolidated Financial Information

One Puhunan's audited consolidated financial statements as of and for each of the twelve months ended March 31st 2017, 2018, 2019 and 2020 included in this Information Memorandum have been prepared in accordance with Philippine Financial Reporting Standards and audited by SyCip Gorres Velayo & Co which expressed an unqualified opinion on such financial statements.

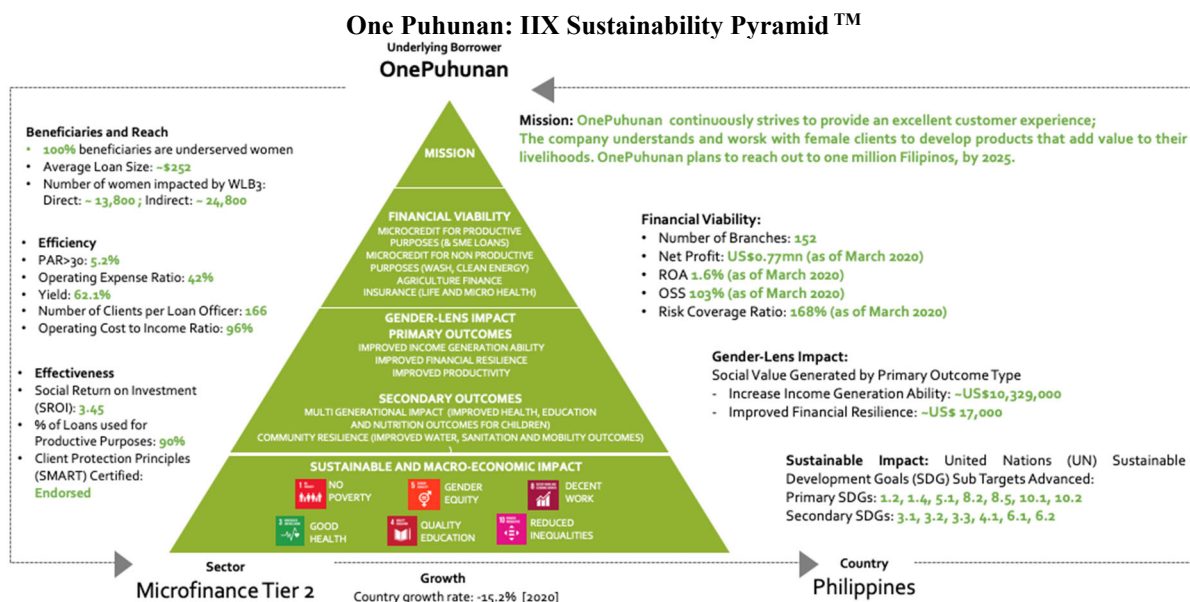
CreditAccess Philippines Financing Company, Inc.	FY Mar 2017	FY Mar 2018	FY Mar 2019	FY Mar 2020
Balance Sheet (USD)	(Audited)	(Audited)	(Audited)	(Audited)
ASSETS				
Current Assets				
Cash and cash items	2,956,880	3,792,313	4,022,438	6,619,617
Loans and receivables	15,301,426	22,386,727	33,334,850	43,057,151
Other current assets	340,919	420,315	435,928	419,703
	18,599,225	26,599,355	37,793,216	50,096,471
Noncurrent Assets				
Loans and receivables	9,699	5,402	6,421	3,058
Property and equipment	1,237,296	1,546,567	1,250,869	2,167,078
Software costs	61,475	133,450	152,879	149,313
Deferred tax asset	1,218,562	789,955	806,103	912,487
Other noncurrent assets	29,551	55,144	53,513	73,360
	2,556,583	2,530,517	2,269,785	3,305,296
TOTAL ASSETS	21,155,808	29,129,872	40,063,001	53,401,767
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and other current liabilities	1,437,190	1,854,829	2,407,109	4,060,490
Loans payable	6,873,651	16,151,158	14,778,602	41,564,919
	8,310,841	18,005,987	17,185,711	45,625,408
Noncurrent Liabilities				
Loans payable and subordinated debt	5,699,576	5,630,784	16,745,686	-
Retirement liability	117,606	153,692	295,390	357,678
Other noncurrent liability	-	-	-	798,456
	5,817,183	5,784,476	17,041,076	1,156,134
	14,128,023	23,790,464	34,226,787	46,781,543
Equity				
Preferred stock	12,579,457	12,579,457	12,579,457	12,579,457
Common stock	7,862	7,862	7,862	7,862
Deficit	(5,575,251)	(7,289,053)	(6,745,597)	(6,005,453)
Remeasurement gain (loss) on retirement liability	15,717	41,142	(5,508)	38,358
TOTAL EQUITY	7,027,784	5,339,408	5,836,214	6,620,224
LIABILITIES & EQUITY	21,155,808	29,129,872	40,063,001	53,401,767

CreditAccess Philippines Financing Company, Inc. Income Statement (USD)	FY Mar 2017 (Audited)	FY Mar 2018 (Audited)	FY Mar 2019 (Audited)	FY Mar 2020 (Audited)
INTEREST INCOME				
Loans receivable	7,344,226	11,956,114	17,157,241	22,868,174
Cash in banks	5,677	27,786	8,884	12,434
	7,349,903	11,983,900	17,166,125	22,880,608
INTEREST EXPENSES				
Loans payable and subordinated debt	1,055,701	2,271,702	3,214,098	5,044,619
NET INTEREST INCOME	6,294,202	9,712,198	13,952,027	17,835,989
Foreign exchange gain (loss)	2,201	-	-	-
Other income	511,602	920,801	1,358,052	1,855,753
TOTAL OPERATING INCOME	6,808,005	10,632,999	15,310,079	19,691,743
EXPENSES				
Compensation and fringe benefits	4,469,976	6,226,041	7,528,405	9,112,122
Taxes and licenses	694,280	1,154,543	1,842,909	2,378,619
Provision for credit losses	396,946	695,259	1,034,423	2,361,975
Transportation and travel	596,461	920,133	1,022,656	1,328,823
Depreciation and amortization	456,635	568,006	641,653	1,324,825
Bank charges	347,522	459,406	390,141	465,777
Supplies	222,887	318,235	318,456	343,887
Postage, telephone, cables and telegrams	236,050	289,573	268,605	322,388
Outside services	127,459	160,885	193,870	246,860
Management and professional fees	53,024	53,050	42,380	198,166
Foreign exchange loss	-	2,787	53,302	159,545
Light and water	61,719	77,049	105,568	138,363
Representation and entertainment	85,614	106,013	155,479	136,523
Repairs and maintenance	58,147	79,606	106,225	130,771
Rent and association dues	426,596	535,454	691,825	22,651
Training and education	80,804	93,441	6,772	17,514
Others	104,789	146,684	182,220	252,406
	8,418,911	11,886,163	14,584,889	18,941,214
INCOME BEFORE INCOME TAX	(1,610,905)	(1,253,163)	725,190	750,529
PROVISION FOR INCOME TAX	(1,222,645)	430,935	80,446	23,213
NET INCOME	(388,260)	(1,684,098)	644,744	727,316
OTHER COMPREHENSIVE GAIN (LOSS)				
<i>Items that do not recycle to profit or loss in subsequent years:</i>				
<i>Remeasurement gain (loss) on retirement liability</i>	61,457	24,985	(45,842)	43,106
TOTAL COMPREHENSIVE INCOME	(326,803)	(1,659,113)	598,902	770,422

Impact Overview

One Puhunan provides financial services in the Philippines focusing on low income individuals and small businesses which are not served by traditional banking institutions. It adds value to this segment by providing access to suitable and reliable financial products and services. One Puhunan is part of Credit Access Asia, a group of companies which operate in South and Southeast Asia specialized in lending to artisans and micro-enterprises. As of 2020, One Puhunan serves 100% women beneficiaries, representing 262,206 women.

Proceeds from One Puhunan's Loan are expected to be used to expand its loan portfolio and create an estimated social value of approximately US\$10,346,000 over 4 years, directly impacting the livelihood of approximately 13,800 underserved women and indirectly impacting the lives of approximately 24,800 underserved women and girls, while generating US\$3.45 of social value for every US\$1 invested. The figure below provides an overview of the impact using the IIX Sustainability Pyramid™.



Primary Outcomes

One Puhunan will use its Loan proceeds to advance SDG 1: No Poverty, SDG 5: Gender Equality, SDG 8: Decent Work and Economic Growth and SDG 10: Reduced Inequalities through the following primary outcomes:

- Improved Income Generation Ability:** Approximately 90% of One Puhunan's loans are used for productive purposes such as setting up businesses which help low-income women increase their annual income. Such activities promote financial inclusion and enable women to lift themselves out of poverty. The estimated net social value generated for women clients through these micro-credit products is approximately US\$10,329,000.
- Improved Financial Resilience:** One Puhunan offers compulsory insurance with each loan but also provides options to purchase other types of insurance coverage for life accidents, cash assistance, Dengue and Chicongoria. 60% of total customers purchase such insurance products providing an estimated net social value of financial resilience of approximately US\$17,000 through micro-insurances.

Secondary Outcomes

- Multi-Generational Impact:** A further approximately 12,400 female family members are expected to indirectly benefit from improved health, nutrition, and education-related outcomes, thereby advancing SDG 3: Good Health and SDG 4: Quality Education.

CV EVERGREEN BUANA PRIMA SANDANG

Business Overview

Evergreen (as defined below) manufactures and sells baby clothing under its own brand, Velvet Junior, and manufactures and sells baby clothing under certain Disney brands in Indonesia. These products are aimed at the middle to upper middle market segment. Evergreen purchases fabrics and other raw materials, puts them through the manufacturing process, and sells finished products to retail shops across Indonesia. It produces and sells to order.

Evergreen's operations started in 2003 as a small home business producing baby and children's clothes for local department stores. As a result of strong sales growth over the years, founder/CEO Mr. Danny Widodo incorporated PT Evergreen Buana Jaya Makmur ("**EBJM**") in 2008 and CV Evergreen Buana Prima Sandang ("**EBPS**" and together with EBJM, "**Evergreen**") in 2013 to operate the business. The former is a private limited company with limited liability. The latter is a private partnership with recourse to the owner under a liquidation scenario.

By 2019, the combined business of EBPS and EBJM generated revenues of US\$14.3 million and a net profit of US\$1.4 million. The total asset base of the group is US\$7.6 million. As of September 30, 2020, Evergreen has 557 customers across Indonesia with 45% of its customers by account in the Greater Jakarta area ("**JaDeTaBek**").

Proceeds from Evergreen's Loan will be used to expand Evergreen's factory capacity and employee base. See "*Use of Proceeds*" and "*Risk Factors — Risks Arising from Activities of the Clients of the Borrowers*" in this Information Memorandum for additional information.

Shareholding and Governance

There are two operating entities in the Evergreen group involved in the same type of business. There are no cross shareholdings between the two companies, but both are under common control.

EBPS

EBPS is set up as a Commanditaire Vennotschap (CV) structure — essentially, a general partnership. In the event of liquidation there is full recourse to the owners of the business. EBPS is 100% owned by Mr. Danny Widodo and Mrs. Diah Wulandari Widodo (Danny's mother).

EBJM

EBJM is set up as a Company Limited (PT) — essentially, a private limited company with limited liability for shareholders. EBJM is 100% owned by Mr. Danny Widodo, Mrs. Diah Wulandari Widodo and Mrs. Esther Sutedja (Danny's wife).

EBPS is the borrowing entity under the Loan. The Loan to EBPS will be secured by a charge over the assets of EBPS, a personal guarantee from Mr. Danny Widodo backed by unencumbered industrial land, and a corporate guarantee from EBJM backed by its assets. The Widodo family has no other business interests outside of these two companies. The Evergreen businesses have retained all their earnings over the years.

Operations, Products and Market

Evergreen operates on a fast turn around and constantly refreshes its product line by introducing new prints every six weeks. It holds an exclusive licensing relationship with Disney for certain Disney franchises which expires March 31, 2021. These licences are held by EBPS and include six of Disney's franchise brands.

Evergreen has voluntarily obtained Oeko-tex Standard 100 Class 1 certification for its products. This certification guarantees that its products are safe and not made with materials deemed toxic. Evergreen was the first baby clothes manufacturer in Indonesia to obtain this.

Evergreen employs 833 employees, including 710 factory workers in its factories as of December 31, 2019. 70% of these workers are female. The factories source for fabric and other raw materials. Subsequently, the materials are put through the manufacturing process to produce finished goods.

Evergreen employs a large sales team compared to others in the market, comprising nine sales managers, five of which service JaDeTaBek and four covering the rest of Indonesia. It operates marketing outreach programs by sending staff to hospitals and running social media campaigns.

Evergreen operates in a competitive market with as many as seven brands competing in the same market segment. Competitors include brands such as Libby, Fluffy, Aruchi, Tokusen, Little Palmer, Kazel and Nova. Despite the competition, Evergreen estimates that its market share has been increasing from 12.1% in 2017 to 18.3% in 2019. It claims to be the leader in terms of volume share in the baby clothing industry.

Funding Sources & Liquidity

Most of Evergreen's liquidity is tied up in inventory (29% of December 2019 assets) and accounts receivables (53% of December 2019 assets). Current assets are 2.6x current liabilities as of December 31, 2019. Evergreen operates on a cash conversion cycle of approximately 160 days.

As of December 31, 2019, 63% of the business is supported by equity with bank borrowings making up 32% of assets. Evergreen has only one banker, PT Bank Negara Indonesia Tbk ("**BBNI**"). Outstanding facilities with BBNI include a factory term loan, machinery term loan, working capital term loan and revolving credit facilities.

Financial Results Commentary

Evergreen's revenues have grown at a CAGR of 41% from 2016-19. This resulted in net profit CAGR of 59% over the same time period as margins also improved. In line with this growth, ROA has gone up from 8.51% in 2016 to 20.27% in 2019. Despite this strong growth, gearing has actually improved due to a well-managed cash conversion cycle and 100% earnings retention. Balance sheet leverage has been steadily declining. Debt / Equity has fallen from a high of 0.9x in 2017 to just 0.5x in 2019.

Most of the business' funds are tied up in stock and accounts receivables (80% of June 2020 assets). According to its management, Evergreen has been managing its liquidity smoothly, with its cash conversion cycle remaining stable at approximately 160 days over the past 4 years.

Although the COVID-19 pandemic did have a negative impact on the combined business, the impact was marginal in nature. According to its management, subsequent to the reporting date, annualized revenue growth for the first half of 2020 was 3%. Evergreen's margins declined slightly relative to fiscal year 2019, but it still recorded a profit of US\$0.7 million in the first half of 2020, and its debt / equity fell further to 0.4x by June 2020.

COVID-19 Impact and Mitigation Statement

Indonesia imposed large-scale social restrictions ("**PSBB**") from April to May 2020 in response to the COVID-19 pandemic. This was rolled out first in Jakarta followed by other regions in the 17,000-island archipelago. The PSBB required offices, schools, places of worship and public places to close while inter-regional travel was restricted towards Idul Fitri in late May 2020.

Evergreen's factories were allowed to operate. Local authorities were satisfied with Evergreen's response to the pandemic. To mitigate the risk to employees, Evergreen arranged for transport for staff to and from their homes. Upon arrival at the factory, staff had to sanitize their hands and get their temperature checked. While in the factory, management would provide supplements to employees and allow for daily exercise to boost employee immunity. To discourage staff from venturing beyond the factory, management would arrange for meals to be provided at the workplace. Lastly, staff would be properly spaced apart from each other and isolated in a medical room if they were unwell.

The ongoing effects of the COVID-19 pandemic may present significant hardships to the Borrowers and the Borrowers' clients. See "*Risk Factors — Risks Relating to the Performance of the Loans — Risks Relating to the Current COVID-19 Pandemic.*"

Selected Financial Information

CV Evergreen Buana Prima Sandang

EBPS's audited financial statements as of and for each of the twelve months ended December 31, 2016 and 2017 have been audited by Djoko, Sidik & Indra, which expressed an unqualified opinion on such financial statements. EBPS's audited consolidated financial statements as of and for each of the twelve months ended December 31, 2018 included in this Information Memorandum have been prepared in accordance with Indonesian Financial Accounting Standards of Entities without Public Accountability ("SAK-ETAP") and audited by Dra Suhartati & Rekan, which expressed an unqualified opinion on such financial statements. EBPS' financial statements as of and for each of the twelve months ended December 31, 2019 are preliminary audited accounts prepared in accordance with Indonesian Financial Accounting Standards of Entities without Public Accountability ("SAK-ETAP") and are under audit by Drs. Chaeroni & Rekan. These financial statements reflect the standalone position of EBPS and are not consolidated to include the position any other group company.

CV Evergreen Buana Prima Sandang Balance Sheet (USD)	FY Dec 2016 (Audited)	FY Dec 2017 (Audited)	FY Dec 2018 (Audited)	FY Dec 2019 (Prelim Audited)
ASSETS				
Current Assets				
Cash and cash equivalents	3,973	7,020	21,016	9,308
Accounts Receivable	-	524,613	977,519	2,158,868
Inventory	257,919	516,172	486,474	689,130
Total Current Assets	261,892	1,047,805	1,485,009	2,857,306
Noncurrent Assets				
Fixed Assets	1,016,678	952,720	883,138	876,162
Total Noncurrent Assets	1,016,678	952,720	883,138	876,162
Total Assets	1,278,571	2,000,525	2,368,147	3,733,468
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable	-	41,644	63,940	94,455
Tax payable	-	-	42,408	80,807
Leasing	-	-	-	22,036
Bank borrowings	545,052	1,158,030	1,198,542	1,662,529
Total Current Liabilities	545,052	1,199,674	1,304,890	1,859,828
Noncurrent Liabilities				
Bank borrowings	570,796	567,298	363,214	203,908
Other liabilities	350,795	143,436	143,436	143,436
Total Noncurrent Liabilities	921,591	710,733	506,650	347,343
EQUITY				
Share Capital	21,222	21,222	21,222	21,222
Retained earnings	(209,295)	68,895	535,385	1,505,075
Total Equity	(188,073)	90,117	556,607	1,526,297
Total Liabilities and Equity	1,278,571	2,000,525	2,368,147	3,733,468

CV Evergreen Buana Prima Sandang Income Statement (USD)	FY Dec 2016 (Audited)	FY Dec 2017 (Audited)	FY Dec 2018 (Audited)	FY Dec 2019 (Prelim Audited)
Revenue	64,095	3,152,952	5,522,326	8,157,823
Cost of Revenue	(54,597)	(2,424,521)	(4,264,471)	(6,048,686)
Gross Profit	9,499	728,431	1,257,855	2,109,138
Other income	57	380	325	310
General and administrative expenses	(50,186)	(136,429)	(203,368)	(273,240)
Marketing expenses	(286)	(50,876)	(194,602)	(287,474)
Financial expenses	(96,200)	(163,788)	(212,310)	(231,967)
Other expenses	-	(102)	(292)	(502)
Profit before tax	(137,116)	377,617	647,608	1,316,264
Tax	-	(94,404)	(172,696)	(329,066)
Profit After Tax	(137,116)	283,213	474,913	987,198

PT Evergreen Buana Jaya Makmur

EBJM's audited financial statements as of and for each of the twelve months ended December 31, 2016 and 2017 have been audited by Djoko, Sidik & Indra, which expressed an unqualified opinion on such financial statements. EBJM's audited consolidated financial statements as of and for each of the twelve months ended December 31, 2018 included in this Information Memorandum have been prepared in accordance with Indonesian Financial Accounting Standards of Entities without Public Accountability ("SAK-ETAP") and audited by Dra Suhartati & Rekan, which expressed an unqualified opinion on such financial statements. EBPS' financial statements as of and for each of the twelve months ended December 31, 2019 are preliminary audited accounts prepared in accordance with Indonesian Financial Accounting Standards of Entities without Public Accountability ("SAK-ETAP") and are under audit by Drs. Chaeroni & Rekan. These financial statements reflect the standalone position of EBJM and are not consolidated to include the position any other group company.

PT Evergreen Buana Jaya Makmur	FY Dec 2016	FY Dec 2017	FY Dec 2018	FY Dec 2019
Balance Sheet (USD)	(Audited)	(Audited)	(Audited)	(Prelim Audited)
ASSETS				
Current Assets				
Cash and cash equivalents	82,019	39,709	91,897	44,429
Accounts Receivable	966,845	1,442,542	1,619,296	1,897,538
Other assets	985,563	79,770	79,770	79,770
Prepaid expenses	61,582	42,382	89,442	53,193
Inventory	350,795	1,157,814	1,316,895	1,527,240
Total Current Assets	2,446,804	2,762,217	3,197,299	3,602,171
Noncurrent Assets				
Fixed Assets	254,515	291,534	266,937	282,013
Total Noncurrent Assets	254,515	291,534	266,937	282,013
Total Assets	2,701,319	3,053,750	3,464,237	3,884,184
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable	40,542	75,515	70,499	81,760
Tax payable	14,087	21,347	29,718	34,828
Leasing	-	8,231	4,256	-
Bank borrowings	516,180	457,849	515,622	514,035
Total Current Liabilities	570,809	562,942	620,096	630,622
Noncurrent Liabilities				
Bank borrowings	-	-	-	-
Other liabilities	-	20,153	24,134	15,624
Total Noncurrent Liabilities	-	20,153	24,134	15,624
EQUITY				
Share Capital	14,148	17,685	17,685	17,685
Retained earnings	2,116,362	2,452,970	2,802,322	3,220,253
Total Equity	2,130,510	2,470,655	2,820,007	3,237,938
Total Liabilities and Equity	2,701,319	3,053,750	3,464,237	3,884,184

PT Evergreen Buana Jaya Makmur	FY Dec 2016	FY Dec 2017	FY Dec 2018	FY Dec 2019
Income Statement (USD)	(Audited)	(Audited)	(Audited)	(Prelim Audited)
Revenue	4,996,376	5,029,610	5,281,092	6,124,631
Cost of Revenue	(3,862,501)	(3,867,268)	(4,066,229)	(4,689,398)
Gross Profit	1,133,875	1,162,343	1,214,863	1,435,233
Other income	544	458	410	363
General and administrative expenses	(327,164)	(557,618)	(635,162)	(753,836)
Marketing expenses	(81,260)	(80,797)	(39,025)	(45,258)
Financial expenses	(67,920)	(62,652)	(64,127)	(68,833)
Other expenses	-	(4,820)	(281)	(366)
Profit before tax	658,076	456,915	476,680	567,303
Tax	(169,927)	(114,229)	(121,020)	(141,826)
Profit After Tax	488,149	342,686	355,659	425,477

Impact Overview

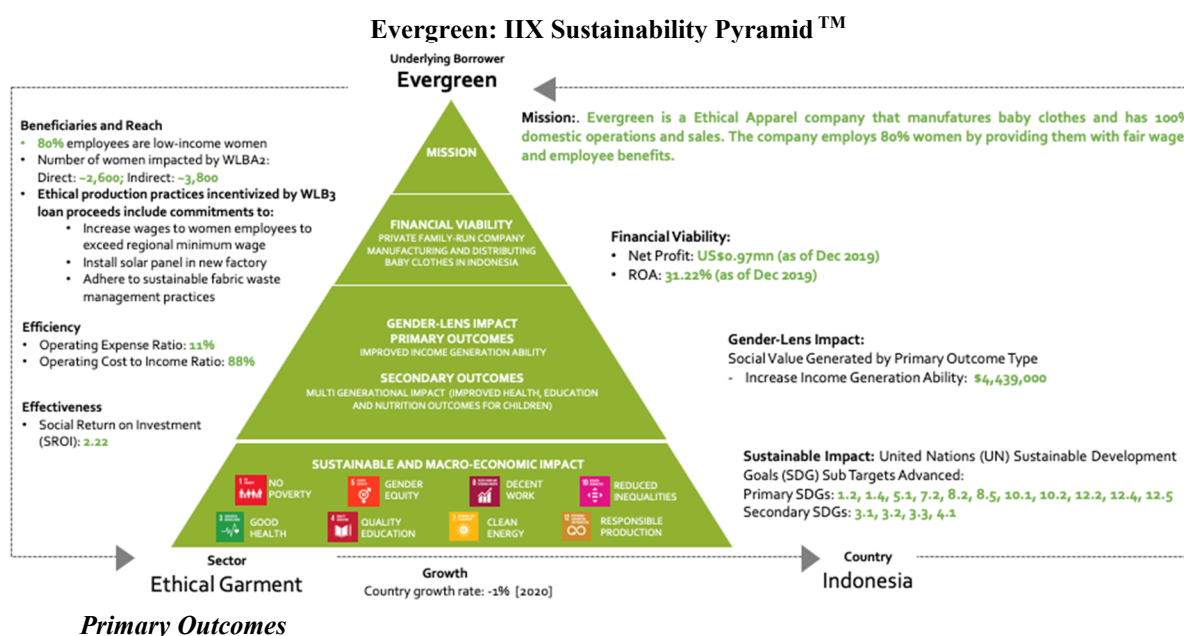
Evergreen is an ethical apparel company that manufactures baby clothes and has 100% domestic operations and sales. Evergreen employs 80% women and provides them with fair wages and employee benefits and good working conditions.

Proceeds from Evergreen's Loan are expected to be used to build a new factory that will provide fair employment opportunities to underserved communities and create an estimated social value of approximately US\$4,439,000 over 4 years, directly impacting the livelihood of approximately 2,600 underserved women and indirectly impacting the lives of approximately 3,800 underserved women and girls while generating US\$2.22 of social value for every US\$1 invested.

Evergreen's ethical production practices incentivized by its Loan proceeds include commitments to:

- Increasing wages to women employees to exceed the regional minimum wage amount in order to further build their financial resilience during the COVID-19 pandemic and beyond
- Supporting green growth through the installation of solar panels in the new factory to be built using its Loan proceeds
- Supporting responsible production by ensuring adherence to sustainable fabric waste management practices

The figure below provides an overview of the impact using the IIX Sustainability Pyramid™.



Evergreen will use its Loan proceeds to advance SDG 1: No Poverty, SDG 5: Gender Equality, SDG 7: Clean Energy; SDG 8: Decent Work and Economic Growth, SDG 10: Reduced Inequalities and SDG12: Responsible Production through the following primary outcomes:

- **Improved Income Generation Ability:** Approximately 80% of Evergreen's employees are underserved Indonesian women who benefit from stable employment, fair wages and non-financial employee benefits. Such activities promote financial inclusion and enable women to lift themselves out of poverty. The estimated net social value generated for women clients is approximately US\$4,439,000.

Secondary Outcomes

- Multi-Generational Impact: A further approximately 1,900 female family members are expected to indirectly benefit from improved health, nutrition, and education-related outcomes, thereby advancing SDG 3: Good Health and SDG 4: Quality Education.
- Climate Action: Evergreen will support climate action efforts by using clean energy (through the installation of a solar energy panel in the new factory built with its Loan proceeds).

KATRA PHYTOCHEM

Business Overview

Katra Phytochem (India) Private Limited (“**Katra India**”) started operating in August 1996. It sources marigold flowers from smallholder farmers and processes them for sale. Its core business was originally the processing of marigold flowers into oleoresin for export to the international animal feed market. Katra India has gradually moved up the value chain, first by upgrading its facilities for production of food grade oleoresin and later by developing a patented process to extract the active ingredients of lutein and zeaxanthin from oleoresin and create formulations of these active ingredients. These formulations are mainly used as supplements to support eye care, as they have been known to combat age-related macular degeneration, which is the leading cause for vision impairment around the world. According to research firm Global Industry Analysts, the global carotenoid market is estimated at US\$1.7 billion in 2020.

Katra Phytochem (Singapore) Pte Ltd (“**Katra Singapore**”) is a wholly-owned subsidiary of Katra India established to act as a strategic marketing arm to Katra India. In March 2020, Katra Singapore signed a contract with Katra India’s main customer Daehan Chemtec Co., Inc. for procurement of lutein products for a total of US\$5 million, which was subsequently transferred and fulfilled by Katra India.

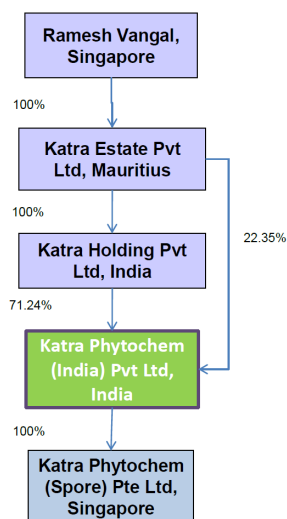
The Loan will be made to Katra Singapore. Proceeds will be used to pre-purchase carotenoid extract products from Katra India. Katra India shall use proceeds from pre-sales as revolving working capital for the purchase of agri-inputs to supply contract farmers, the procurement of marigold and other commodities from contract farmers, and to process flowers into finished goods for export. Katra India will commit to this use of proceeds by entering into a side-letter, a breach of which will constitute an event of default on the Borrower’s Loan. See “*Use of Proceeds*” for additional information.

Shareholding and Governance

Katra Singapore is a private company limited by shares incorporated in Singapore. It is fully owned by Katra India. Mr. Ramesh Vangal is the sole director of Katra Singapore.

Katra India is a private limited company incorporated in India. 93.59% of its shares are held by two holding companies: Katra Estate Pvt Ltd, Mauritius and Katra Holding Pvt Ltd, India. The shareholding structure is illustrated in the diagram below. Katra Estate Pvt. Ltd. also owns 100% of Katra Holding Pvt Ltd, India, which in turn holds 71.24% of Katra India.

Katra Phytochem (Singapore) Pte Ltd Shareholding Structure



The Loan issued to Katra Singapore will be secured by a charge over all assets of Katra Singapore (including receivables) and by a promoter guarantee from Mr. Vangal and a corporate guarantee from the parent company of Katra India, Katra Estate Pvt Ltd, Mauritius.

Based in Singapore, Mr. Ramesh Vangal is the Chairman of both Katra Singapore and Katra India. He started his career in Procter & Gamble before moving to PepsiCo, where he led Katra Singapore's entry into India in the early 1990s. Following this, he was President of Asia Pacific for PepsiCo Foods and a member of PepsiCo's Worldwide Executive Council. He was also the Chairman of Seagram Asia Pacific (now Pernod Ricard) and part of its global executive board. He holds an Engineering degree from the Indian Institute of Technology, Mumbai and an MBA from the London Business School, where he was the first Asian to be awarded the "Alumni of the Year" honor. He founded Katra India in 1996 and has remained actively involved since.

Katra India's board of directors is comprised of Mr. Vangal, Mr. Gokul Patnaik (minority shareholder of Katra India with 2.69% ownership – Indian Administrative Service officer, has held senior positions within the Government of Punjab and Government of India), and Mr. Anand Subramanian (Chief Investment Officer of Katra group).

Operations, Products and Market

Katra India sources marigold flowers through contract farming. It provides marigold seeds and other inputs such as pesticides and fertilizers to farmers. Upon harvest, it purchases the flowers from farmers at a pre-established price. Katra India currently has two production facilities. The first factory near Harihar processes marigold flowers into pellets, with a current capacity of approximately 4,000 tons/month. These pellets may be sold to customers for use as animal feed but, since the establishment of Katra India's second factory in the Attibele Industrial area (near Bangalore, India), they are increasingly processed by Katra India in the Attibele facility into lutein and zeaxanthin formulations, including Katra's flagship product XanMax®. These extracts are diluted and/or combined in various ratios and formulated into powders, oils, beadlets, tablets, among others, at various concentrations to suit customer needs. While there is a wide range of uses of these extracts, they are best known for their eyecare benefits. Katra India sells over 90% of its production to the export market, supplying customers in South Korea, USA, Mexico, Singapore, and other countries.

In fiscal year 2019, Katra India's main customers included multi-national companies. Its main competitors are Omni Active Health Technologies Pvt Ltd and AVT Natural Products Ltd. According to Katra's management, its two key differentiators are (i) its integrated value chain from seed breeding to purified carotenoids which allows it to have increased concentration of active ingredients per kg of flowers, and (ii) its focus on research and development which has allowed it to develop patented processes for more efficient lutein and zeaxanthin extraction.

As of August 31, 2020, according to its management, Katra India employed 194 full-time staff: 87 at the Attibele plant, 75 at the Haribar plant, and the rest in the corporate office. In addition, there are 63 part-time workers split between the two production facilities.

As of the date of this Information Memorandum, Katra Singapore has no staff.

Funding Sources & Liquidity

Katra Singapore was capitalized by a US\$5,000 equity injection and a US\$11.6 million loan from Katra India, which is unsecured and non-interest bearing, and which will be subordinated to the Loan to Katra Singapore through a subordination agreement. Katra Singapore has not received any further debt or equity financing.

Katra India has received support in the form of equity and debt from its shareholder companies. As of March 31, 2020, it had a US\$6 million loan from its parent company. Moreover, it has also tapped on debt from local providers to sustain its growth over the years (US\$6.98 million as of March 31, 2020). Not having received any additional equity injections since 2016, Katra India's debt to equity ratio is currently 2.3x. All of Katra India's debt to date is INR denominated.

COVID-19 Impact and Mitigation Statement

The effect of efforts to control the COVID-19 pandemic on Katra India was most pronounced during late March 2020, as its factories were mandated to shut down as a part of the nationwide lockdown. Katra India received an exemption approval and restarted operations after two weeks of closing. Shortly thereafter, a number of factory staff were infected with COVID-19, resulting in Katra India pausing operations for approximately 10 days to perform sanitization procedures and establish the required controls to decrease the risk of infection. Katra India's factories are currently divided into isolated segments to decrease the risk of employee infection and mitigate the potential consequences in operations in the event of new infections. Safety measures such as temperature taking and oxygenation levels measurement have been implemented at the entry points of the factories.

Agricultural production has not been affected, and 2020 yields have been in line with expectations.

The ongoing effects of the COVID-19 pandemic may present significant hardships to the Borrowers and the Borrowers' clients. See "*Risk Factors — Risks Relating to the Performance of the Loans — Risks Relating to the Current COVID-19 Pandemic.*"

Financial Results Commentary

Katra India's revenue from lutein and herbal formulations grew at a CAGR of 14.6% between fiscal year 2017 and fiscal year 2020 to reach US\$7.45 million in fiscal year 2020. Other income related to sale of oleoresin pellets has fluctuated, as it is dependent on the annual crop size and on specific pellet orders received from customers. Gross margins have maintained at around 55% since it shifted to higher value products which require additional processing, and EBITDA margins have increased from 19.9% in fiscal year 2017 to 20.6% in fiscal year 2020. Katra India's net margins have been stable at approximately 5%. Return on Equity as of March 31, 2020 was 6.9%.

Katra India's interest coverage ratio has remained greater than 1.2x since fiscal year 2017. Its leverage has decreased over the past three years as Katra India generates and retains net profit (Liabilities/Equity of 2.68x as of March 31, 2020). Debt/EBITDA is 8.0x as of March 31, 2020.

Katra India's fiscal year ends on March 31.

Selected Financial Information

Katra Phytochem (India) Private Limited

Katra India's audited financial statements as of and for each of the fiscal years ended March 31, 2017, 2018, 2019 and 2020 included in this Information Memorandum have been prepared in accordance with the accounting standards specified under section 133 of the Companies Act of 2013 and audited by S V Sabareesan & Co, which expressed an unqualified opinion on such financial statements. Katra India's financial statements as of and for the fiscal year ended March 31, 2020 are preliminary audited statements (awaiting signatures). These financial statements reflect the standalone position of Katra India and are not consolidated to include the position of its subsidiaries (including Katra Singapore) or any other group company.

Katra Phytochem (India) Private Limited Balance Sheet (USD)	FY Mar 2017 (Audited)	FY Mar 2018 (Audited)	FY Mar 2019 (Audited)	FY Mar 2020 (Prelim. Audited)
EQUITY AND LIABILITIES				
Shareholders' funds				
(a) Share capital	1,034,928.85	1,034,929	1,034,929	1,034,929
(b) Reserves and surplus	3,667,817	3,698,741	4,155,162	4,511,357
Non-current liabilities				
(a) Long-term borrowings	5,440,757	10,787,597	11,867,005	11,502,092
(b) Deferred tax liabilities	150,384	-	-	-
Current liabilities				
(a) Short-term borrowings	4,667,492	1,453,971	1,403,788	1,468,282
(b) Trade payables	511,946	1,077,599	774,023	531,871
(c) Other current liabilities	630,142	318,686	605,182	523,935
(d) Short-term provisions	1,293,429	1,162,943	815,748	843,523
TOTAL	17,396,896	19,534,467	20,655,837	20,415,990
ASSET				
Non-current assets				
(a) Fixed assets				
(i) Tangible assets	1,944,172	1,917,581	2,005,312	1,937,308
(ii) Intangible assets	-	-	-	-
(iii) Capital work-in-progress	-	180,427	-	-
(b) Non-current investments	2,657,808	2,657,808	2,642,942	2,643,643
(c) Deferred Tax Assers (Net)	-	27,577	56,845	56,845
(d) Long-term loans and advances	3,347,557	6,262,711	6,558,364	6,562,950
(e) Other non-current assets	42,459	42,459	42,459	42,459
Current Assets				
(a) Inventories	1,549,099	1,981,280	2,015,292	1,315,122
(b) Trade receivables	1,384,827	1,348,545	1,078,320	483,613
(c) Cash and cash equivalents	169,774	86,929	142,805	89,884
(d) Short-term loans and advances	6,301,200	5,029,149	6,113,496	7,284,165
TOTAL	17,396,896	19,534,467	20,655,838	20,415,990

Katra Phytochem (India) Private Limited Income Statement (USD)	FY Mar 2017 (Audited)	FY Mar 2018 (Audited)	FY Mar 2019 (Audited)	FY Mar 2020 (Prelim. Audited)
Revenue from operations	9,317,892	6,294,750	8,686,917	7,969,183
Less: Exercise duty, GST & Others	377,077	224,052	153,110	84,274
	8,940,815	6,070,698	8,533,807	7,884,909
Other income	44,105	44,270	3,173	6,065
Total Revenue	8,984,920	6,114,969	8,536,980	7,890,974
Expenses:				
Cost of materials consumed	3,667,305	1,506,269	3,606,894	3,495,390
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	144,906	555,018 -	199,764	13,667
Material processing charges	231,063	254,438	424,044	197,835
Employee benefits expense	1,225,782	1,049,650	1,222,572	1,231,344
Finance costs	894,854	693,646	1,050,719	990,275
Depreciation and Amortization expense	121,336	131,847	137,063	141,411
Other expenses	1,933,508	1,802,867	1,740,219	1,325,085
	8,218,755	5,993,734	7,981,746	7,395,006
Profit before tax	766,166	121,235	555,234	495,968
Tax expense:				
(1) Current tax	249,861	274,458	109,971	124,786
(2) Tax Expenses relating to earlier years	-	-	-	-
(3) MAT Credit Entitlement	-	-	-	-
(4) Deferred tax Exoenses / (Income)	26,196 -	185,449 -	30,500	-
	276,057	89,009	79,471	124,786
Profit/ (Loss) for the period	490,108	32,225	475,763	371,182
Earnings per equity share:				
Basic & Diluted (Nominal value of shares Rs 10/- each)	4.54	0.30	5.41	3.80

Katra Phytochem (Singapore) Pte Ltd

Katra Singapore's financial statements as of and for each of the fiscal years ended March 31, 2019 and 2020 are preliminary audited statements which have been prepared in accordance with the provisions of the Singapore Companies Act, Chapter 50 and the Singapore Financial Reporting Standards, and audited by S.O.Liang & Co, which expressed an unqualified opinion on such financial statements. Katra Singapore's financial statements as of and for each of the fiscal years ended March 31, 2017 and 2018 included in this Information Memorandum have been prepared by Katra Singapore's management and are currently undergoing an audit process by external auditors. These financials reflect the standalone position of Katra Singapore and are not consolidated to include the position of its subsidiaries or any other group company.

Katra Phytochem (Singapore) Pte Ltd Balance Sheet (USD)	FY Mar 2017 (MGMT)	FY Mar 2018 (MGMT)	FY Mar 2019 (Prelim AFS)	FY Mar 2020 (Prelim AFS)
Assets				
Current Assets				
Trade and Other Receivables	9,017,540	9,029,773	11,607,397	11,607,397
Cash and bank balances	1,200	725	1,215	1,215
Total Current Assets	9,018,740	9,030,498	11,608,612	11,608,612
TOTAL ASSETS	9,018,740	9,030,498	11,608,612	11,608,612
Current Liabilities				
Trade and other Payables	8,979,803	8,989,908	11,562,490	11,562,490
Total Liabilities	8,979,803	8,989,908	11,562,490	11,562,490
Shareholder's Funds				
Share Capital	5,000	5,000	5,000	5,000
Retained Earnings	35,589	35,589	41,122	41,122
Total Capital	40,589	40,589	46,122	46,122

Katra Phytochem (Singapore) Pte Ltd Income Statement (USD)	FY Mar 2017 (MGMT)	FY Mar 2018 (MGMT)	FY Mar 2019 (Prelim AFS)	FY Mar 2020 (Prelim AFS)
Revenue	142,500	-	-	-
Cost of Sales	135,000	-	-	-
Gross Profit	7,500	-	-	-
Other income	10,377	-	-	-
Total income	17,877	-	-	-
Selling Expenses	-	-	-	-
Administrative Expenses	-	-	-	-
Finance Cost	100	-	210	-
Profit/ (Loss) Before Income Tax	17,777	-	(210)	-
Income Tax	-	-	-	-
Profit/ (Loss) after tax, representing the total comprehensive income during the financial period	17,776	-	(210)	-

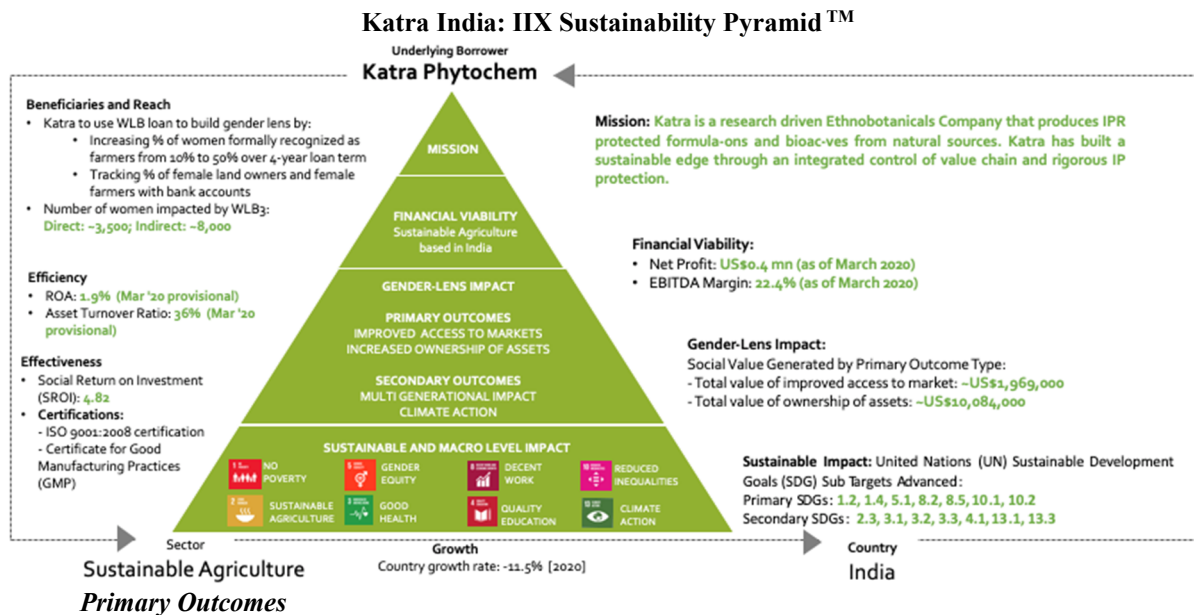
Impact Overview

Katra India is a sustainable agriculture company that is expected to use its Loan proceeds to purchase marigold from smallholder farmers based in India. Its Loan is expected to create an estimated social value of approximately US\$12,053,000 over 4 years, directly impacting the livelihood of approximately 3,500 smallholder female farmers growing marigold in Karnataka, India and indirectly impacting the lives of approximately 8,000 underserved women and girls while generating US\$4.82 of social value for every US\$1 invested.

Katra India will use its Loan proceeds to build a gender lens by doing the following:

- Increase the percentage of female smallholder farmers who formally sign contracts with Katra Singapore from 10% to 50% over the 4-year term of the Loan with a view to formally recognize the role of women in producing.
- Tracking the percentage of female land owners and female farmers with bank accounts to facilitate gender-disaggregated reporting and to enable the monitoring of gender-lens impact outcomes.

The figure below provides an overview of the impact using the IIX Sustainability Pyramid™.



Katra India will use its Loan proceeds to advance SDG 1: No Poverty, SDG 5: Gender Equality, SDG 8: Decent Work and Economic Growth and SDG 10: Reduced Inequalities through the following primary outcomes:

- **Improved Access to Market:** Katra India primarily supports farmers from low income communities, with 200 of them being women. They are equipped with increased earnings through improved access to market; via fair price premiums on organic and sustainable marigold; stable demand of production and integration into the formal value chain helps improve social and economic inclusion. Such activities promote financial inclusion and enable women to lift themselves out of poverty. The estimated net social value generated for women clients through these micro-credit products is approximately US\$1,969,000.
- **Increased Ownership of Assets:** Katra India will actively track the number of women smallholder farmers who own the land on which they grow their crops that they supply to Katra India. The estimated net social value of the assets to be owned by Katra India's women farmers is approximately US\$10,084,000.

Secondary Outcomes

- Multi-Generational Impact: A further approximately 4,000 female family members are expected to indirectly benefit from improved health, nutrition, and education-related outcomes, thereby advancing SDG 3: Good Health and SDG 4: Quality Education.
- Climate Action: Approximately 20% of Katra India's marigold is grown using organic methods, thereby supporting greater environmental resilience and improving the ability for farmers to better adapt to the adverse impact climate change.

CENTRUM MICROCREDIT LIMITED

Business Overview

Centrum Microfinance Limited (“CML”) is an Indian microfinance institution providing loans to low-income women through a joint liability group methodology, where members of the group are jointly liable for their fellow group member’s repayments. CML was established in September 2017 by Centrum Capital Limited in India, a financial services company, through the acquisition of the microfinance portfolio of FirstRand Bank, which consisted of 25 branches in Maharashtra with a total GLP of US\$13.93 million. During its first two years of operations, CML grew organically, having more than doubled its GLP by fiscal year 2019 to reach US\$29 million and achieving its first year of profitability. In December 2019, CML acquired the portfolio of Altura Financial Services Ltd, a company in India, with a GLP of US\$11.94 million and 48 branches mostly catering to the rural population.

As of March 31, 2020, CML operated 130 branches across 9 states in India, with 43% of its portfolio being concentrated in Maharashtra, India, serving 225,000 female customers. As of March 31, 2020, it held a GLP of US\$59.28 million, providing loans to 225,000 all-female clients, and employing 938 staff, of which 479 are loan officers. Subsequent to fiscal year 2020, due to the market uncertainty generated by the COVID-19 pandemic and the lock-down mandated by the government across India, CML paused disbursements, leading to a slight decrease in its GLP to US\$58.64 million as of June 30, 2020 and a further decrease to US\$52.1 million as of September 30, 2020. As of September 30, 2020, it has restarted disbursements in 5 out of the 9 states in which it is present.

Proceeds from CML’s Loan will be on-lent to clients to expand CML’s operations. See “*Use of Proceeds*” and “*Risk Factors — Risks Arising from Activities of the Clients of the Borrowers*” in this Information Memorandum for additional information.

Shareholding and Governance

CML is a regulated Non-Banking Financial Company-Microfinance Institution (NBFC-MFI) fully owned by Centrum Capital Limited. Centrum Capital Limited is an Indian diversified financial services company operating in the areas of investment banking, foreign exchange, wealth management, broking, insurance, housing finance, and SME finance, amongst others, with consolidated assets of US\$388.6 million as of December 31, 2019. It is headquartered in Mumbai and has offices in 48 cities across India. Centrum Capital Limited is listed on the Bombay Stock Exchange and National Stock Exchange and has a market capitalization of US\$89.97 million as of September 20, 2020.

CML’s Board of Directors comprises seven members, of which six are non-executive, with the seventh being Mr. Prashant Thakker, CML’s CEO. Amongst the non-executive directors, three are independent, and two are part of the Centrum Capital Limited group. The Board is chaired by Mr. Ranjan Ghosh, Managing Director & CEO of Centrum Financial Services Limited.

Operations, Products and Market

CML provides microloans in the range of approximately US\$150 to approximately US\$850, with the average loan size at disbursement being INR36,000 (approximately US\$500), to groups of 5-12 women. Loans have either 1- or 2-years’ tenor, with loan cycles being either weekly or monthly, depending on the product. CML is present in 9 states in West, Central and East India. As of March 31, 2020, 42% of CML’s portfolio is concentrated in Maharashtra followed by 15% in Gujarat, and 58% of the portfolio was allocated to urban customers. From inception to March 31, 2020, CML has maintained PAR30 levels of less than 0.5% of GLP, and CML achieved profitability in its third year of operations. CML had a GLP of US\$59.3 million, US\$29.0 million and US\$15.6 million as of March 31, 2020, 2019 and 2018, respectively, and a PAR30 of 0.4% and 0.2% as of March 31, 2020 and 2019, respectively.

CML uses a feet-on-street approach with its clients, and leverages technology within its credit assessment, loan disbursement, and collection processes, which are mostly paperless.

In alignment with its operations, CML’s employee base has expanded over the last 3 years from 306 as of March 31, 2018 to 938 as of March 31, 2020. Following the acquisition by CML, 50% of FirstRand’s staff and 99% of Altura’s staff have been retained to date. It is CML’s policy to hire only fresh graduates as Loan Officers, which allows the

CML to train them fully to its standards and simultaneously increases employee loyalty. Annual attrition is approximately 25%.

CML’s credit policy guides its credit appraisal, approval, disbursement, approval and collection processes. It enforces all norms as per MFIN’s Code for Responsible Lending and sensitizes CML staff about the issues associated with client over-indebtedness. CML performs credit bureau checks for credit clearance and has a policy of not providing loans to customers with more than one loan from another NBFC-MFI, or more than two loans from any two institutions. All of CML’s credit checks are performed through its software, which accepts or rejects loans automatically (no manual intervention is allowed except in certain specific situations).

CML’s Code of Conduct includes client protection principles for transparent and fair practices. CML underwent a Social Performance and Impact Rating using CERISE Social Performance Indicators 4 (“SPI4”) and received a Social Performance Indicator Rating 2 (“SPIR2”) grade, indicating CML’s infrastructure and processes are consistent in operating in the best interests of its customers, that this is among its highest priorities and that the risk of causing adverse effect to its customers and other stakeholders is low.

Funding Sources & Liquidity

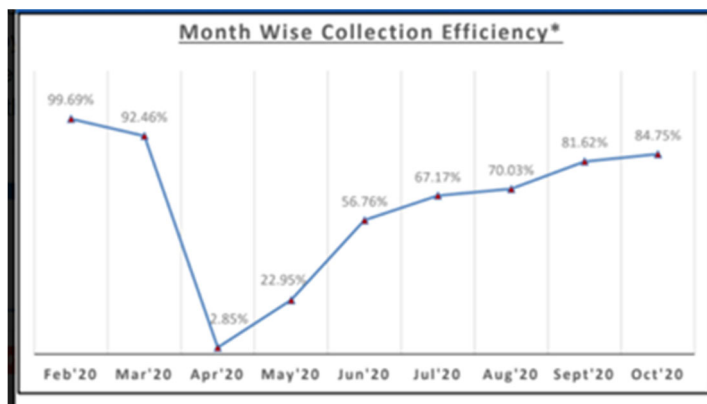
All of CML’s loans and borrowings are INR-denominated. 83% of its balance sheet is supported by debt with an average remaining tenor of about 14 months. In contrast, the average remaining tenor of its loan portfolio is 17 months. Its lender base includes non-banking financial companies (“NBFC”), private banks, small finance banks (“SFBs”), and over 280 High Net-worth Individuals (“HNWIs”) through privately placed non-convertible debentures (“NCD”) issuances. CML has not previously borrowed internationally.

Its average cost of funds in fiscal year 2020 was 14.72%, and its Net Interest Margin (incl. fees) was 9.22%.

Financial Results Commentary

After launching into the microlending market in 2017 through the acquisition of FirstRand Bank’s micro lending business, CML has doubled its loan book every year from fiscal year 2018 to fiscal year 2020 through both organic and inorganic growth. CML achieved pre-tax profitability in fiscal year 2019, its second year of operations. In fiscal year 2020, it delivered a net profit of US\$746,000.

From inception to March 31, 2020, CML has maintained its PAR30 ratio below 0.5%. Subsequent to the end of the reporting period, in late March 2020 the Reserve Bank of India (“RBI”) introduced a loan moratorium as a relief measure to alleviate financial stress on borrowers which led to a drastic reduction in collections from clients. This moratorium allowed borrowers to postpone all interest and principal payments during the period from March to August 2020, inclusive. CML’s PAR30 has increased since the end of the moratorium period, reaching 13% as of October 31, 2020. CML’s loan collections bottomed in April 2020 due to the COVID-19 lockdowns and have recovered gradually since, reaching 84.75% as of October 31, 2020, as shown in the table below.



*Collection Efficiency = Total Collections/Total Due for the Month

CML has accumulated provisioning reserve levels amounting to 371% of total PAR30 loans as of June 30, 2020. Its reported CAR to the RBI as of June 30, 2020 was 19.71% compared to the regulatory minimum of 15%.

CML's fiscal year ends on March 31.

COVID-19 Impact and Mitigation Statement

In response to the COVID-19 pandemic, the Indian government imposed a nationwide lockdown towards the end of March 2020. The lockdown has since been gradually eased. To alleviate stress on borrowers during the lockdown period, the RBI allowed borrowers to opt for a loan moratorium from March to August 2020, inclusive. Borrowers who elected to participate in the moratorium were not required to pay their monthly instalments, but interest has continued to accrue on the loans outstanding.

In March 2020, CML responded by publishing a COVID-19 Policy providing Relief Measures to guide client engagement and determination of loan eligibility for the moratorium. Subsequent to fiscal year 2020, CML saw the largest customer opt-in in the moratorium during the month of April 2020, when branches were unable to operate due to the lock-down. As the lock-down was relaxed and branches gradually restarted operations, CML has seen a gradual increase in clients making payments on their loans, with branches in Maharashtra, which serve a more urban client demographic, underperforming in this respect.

All of CML's branches have been operational since June 2020, having implemented safety measures such as safe-distancing and the use of masks and hand sanitizer. Centre meetings have been replaced by smaller meetings of 10-12 clients in open spaces to decrease risk of infection. Loan disbursement has restarted in 5 out of the 9 states as of August 31, 2020.

The ongoing effects of the COVID-19 pandemic may present significant hardships to the Borrowers and the Borrowers' clients. See "*Risk Factors — Risks Relating to the Performance of the Loans — Risks Relating to the Current COVID-19 Pandemic.*"

Selected Consolidated Financial Information

CML's audited consolidated financial statements as of and for each of the twelve months ended March 31, 2018, 2019 and 2020 included in this Information Memorandum have been prepared in accordance with Indian Accounting Standards ("IndAS") and the consolidated financial statements as of and for the twelve months ended March 31, 2017 have been prepared in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act. The consolidated financial statements included in this Information Memorandum have been audited by Walker Chandiook & Co LLP (2018 and 2017) and Haribhakti & Co. LLP (2020 and 2019), which expressed an unqualified opinion on such financial statements, respectively.

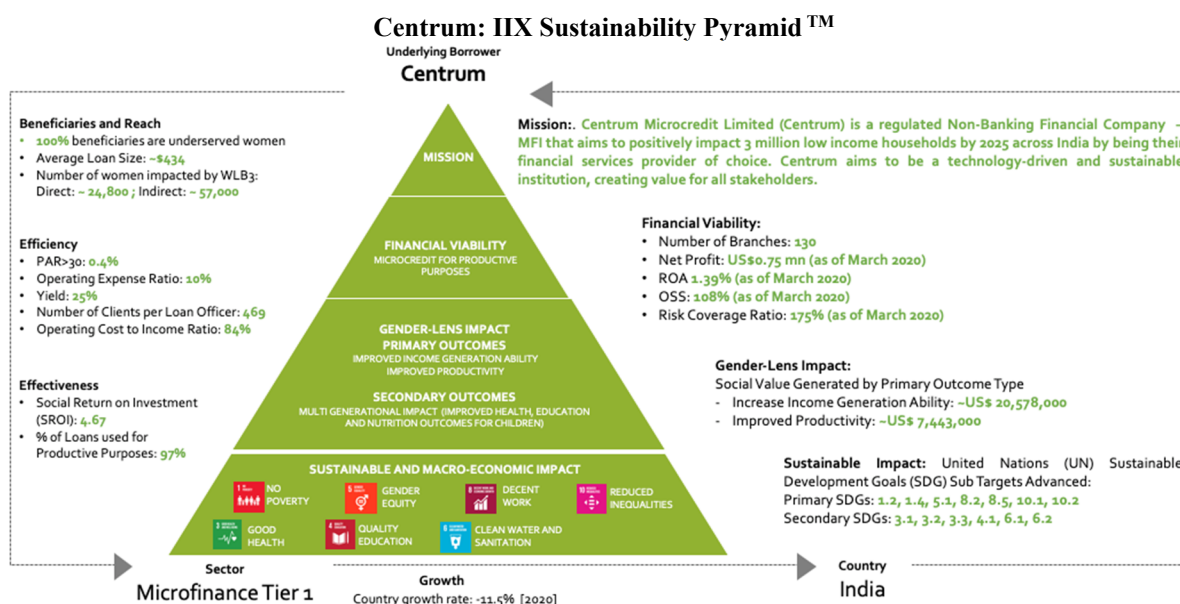
Centrum Microcredit Limited				
Centrum Microcredit Limited	FY Mar 2017	FY Mar 2018	FY Mar 2019	FY Mar 2020
Balance Sheet (USD)	(Audited)	(Audited)	(Audited)	(Audited)
Assets				
Financial assets				
Cash & cash equivalents	1,327	671,098	6,088,991	2,446,718
Bank balances other than cash & cash equivalents above	-	142,343	1,371,029	2,985,067
Receivables	-	-	-	-
(I) Trade receivables	-	-	5,918	19,863
(II) Other receivables	-	-	-	-
Loans	-	15,467,277	28,718,665	58,804,631
Other financial assets	-	42,697	97,801	876,558
Total financial assets	1,327	16,323,415	36,282,403	65,132,823
Non-financial assets				
Current tax assets (net)	-	1,566	1,566	144,200
Property, plant & equipment	-	31,021	102,312	195,403
Right of use - Premises	-	121,737	70,694	26,391
Goodwill	-	2,094,537	2,094,537	3,318,871
Other intangible assets	-	-	-	15,604
Other non-financial assets	-	97,018	135,801	85,939
Total non-financial assets	-	2,345,879	2,404,909	3,786,407
Total assets	1,327	18,669,294	38,687,312	68,919,229
Liabilities & equity				
Liabilities				
Financial liabilities				
Payables				
(I) Trade payables				
(i) Total outstanding dues of micro enterprises and small enterprises	-	153,156	131,688	136,703
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
(II) Other payables				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
Debt securities	-	801,393	9,162,636	17,369,848
Borrowings (other than debt securities)	-	13,253,591	22,884,891	39,433,138
Subordinated liabilities	-	-	-	1,333,970
Other financial liabilities	229	129,446	74,555	557,999
Total financial liabilities	229	14,337,586	32,253,770	58,831,658
Non-financial liabilities				
Current tax liabilities (net)	-	-	68,000	-
Provisions	-	12,114	26,749	44,728
Deferred tax liabilities (net)	-	35,466	64,192	186,858
Other non-financial liabilities	-	38,558	73,626	130,016
Total non-financial liabilities	-	86,138	232,567	361,601
Equity				
Equity share capital	1,327	4,595,230	6,571,573	9,357,920
Other equity	(229)	(349,660)	(370,597)	368,050
Total equity	1,098	4,245,570	6,200,975	9,725,969
Total liabilities & equity	1,327	18,669,294	38,687,312	68,919,229

Centrum Microcredit Limited	FY Mar 2017	FY Mar 2018	FY Mar 2019	FY Mar 2020
Income Statement (USD)	(Audited)	(Audited)	(Audited)	(Audited)
Revenue from operations				
Interest income	-	-	5,604,582	11,268,562
Fee & commission income	-	-	15,638	61,943
Net gain on fair value changes	-	-	26,796	119,877
Net gain on derecognition of financial instruments under amortized cost category	-	-	-	421,711
Other operating revenue	-	-	12,361	3,443
Total revenue from operations	-	1,358,424	5,659,376	11,875,536
Other income	-	18,968	46,070	315,924
Total income	-	1,377,392	5,705,447	12,191,460
Expenses				
Finance costs	-	595,859	3,060,088	6,638,092
Impairment on financial instruments	-	161,560	126,582	206,182
Employee benefits expenses	-	396,648	1,631,897	2,964,338
Depreciation, amortization and impairment	-	2,345	105,621	159,559
Other expenses	239	467,852	718,955	1,346,904
Total expenses	239	1,624,264	5,643,144	11,315,075
Profit/(loss) before tax	(239)	(246,872)	62,303	876,385
Tax expense				
Current tax	-	-	84,024	-
Deferred tax	-	57,635	29,299	130,177
Total tax expense	-	57,635	113,323	130,177
Net profit / (loss) for the year	(239)	(304,507)	(51,020)	746,207
Other comprehensive income				
Items that will not be reclassified to profit or loss				
-Measurements of post-employment benefit obligations	-	-	2,281	(429)
-Income tax relating to these items	-	-	(636)	111
Items that will be reclassified to profit or loss				
Other comprehensive income/ (loss) for the year	-	-	1,645	(318)
Total comprehensive income / (loss) for the year	(239)	(304,507)	(49,375)	745,889

Impact Overview

CML is a regulated NBFC that aims to positively impact 3 million low income households by 2025 across India by being their financial services provider of choice. CML aims to be a technology-driven and sustainable institution, creating value for all stakeholders. As of March 31, 2020, CML had 2,24,546 customers, 100% of them being women.

Proceeds from CML's Loan are expected to be used to expand its loan portfolio and create an estimated social value of approximately US\$28,021,000 over 4 years, directly impacting the livelihood of approximately 24,800 underserved women and indirectly impacting the lives of approximately 57,000 underserved women and girls while generating US\$4.67 of social value for every US\$1 invested. The figure below provides an overview of the impact using the IIX Sustainability Pyramid™.



Primary Outcomes

CML will use its Loan proceeds to advance SDG 1: No Poverty, SDG 5: Gender Equality, SDG 8: Decent Work and Economic Growth and SDG 10: Reduced Inequalities through the following primary outcomes:

- Improved Income Generation Ability:** Approximately 97% of CML's loans are used for productive purposes such as setting up businesses which help low-income women increase their annual income. Such activities promote financial inclusion and enable women to lift themselves out of poverty. The estimated net social value generated for women clients through these micro-credit products is approximately US\$20,578,000.
- Increased Productivity:** CML offers WASH loans which help women save time which can be used for other productive purposes and can improve overall the quality of life. Improved access to clean water and proper sanitation facilities (via WASH loans) enable women Borrowers to save between 3 to 4 hours per day. The estimated net social value generated for women clients through these products is approximately US\$7,443,000.

Secondary Outcomes

- Multi-Generational Impact:** A further approximately 26,000 female family members are expected to indirectly benefit from improved health, nutrition, and education-related outcomes, thereby advancing SDG 3: Good Health and SDG 4: Quality Education.

- Community Resilience: WASH loans will benefit approximately 2,500 female beneficiaries and the entire community by reducing the risk of communicable, water-borne diseases through improved access to safe drinking water and hygienic sanitation facilities. As such, the loan to CML will advance SDG 6: Clean Water and Sanitation.

VISAGE HOLDINGS AND FINANCE PRIVATE LIMITED

Business Overview

Visage Holdings and Finance Private Limited (“**Kinara Capital**”) was established in 1996 and acquired in 2011 by its founder and current CEO Ms. Hardika Shah, who is the third largest shareholder today with a fully-diluted 17.1% stake in Kinara Capital. Kinara Capital is an NBFC-NDSI based in Bangalore, India and provides loans in the range of INR2-25 lakhs (US\$2,700-US\$34,000) to micro and small businesses without taking any land or property collateral. Its borrower customers are mainly engaged in manufacturing and trading operations. As of March 31, 2020, Kinara Capital has a GLP of US\$116 million, with a network of 110 branches serving 27,820 customers across 6 states and 1 union territory in India.

Proceeds from Kinara Capital’s Loan will be on-lent to clients to expand Kinara Capital’s operations. See “*Use of Proceeds*” and “*Risk Factors — Risks Arising from Activities of the Clients of the Borrowers*” in this Information Memorandum for additional information.

Shareholding and Governance

Kinara Capital is a non-deposit taking systemically important non-bank financial company (“**NBFC-ND-SI**”). The four largest shareholders are Gaja Capital (an India-focused private equity fund, 22.56%), Patamar Capital (a South and SE Asia-focused impact venture capital fund, 17.86%), CEO Ms. Hardika Shah (17.17%, comprising 10.65% direct equity stake and 6.52% stake through convertible debentures), and GAWA Capital (a Spanish-based impact investment firm, 17.14%). These four shareholders collectively control 74.7% of Kinara Capital’s fully-diluted share base. Kinara Capital raised new equity in fiscal year 2019 when Gaja Capital and GAWA Capital invested US\$4.3 million and US\$3.3 million, respectively.

Operations, Products and Market

Kinara Capital is the only microenterprise-focused lender in India offering loans without property collateral. The average loan size is US\$4,000 - US\$5,000. It offers five different products and as of June 30, 2020, secured working capital loans account for 55% of its loans while unsecured working capital loans make up 32% of loans. The next largest lending segment is machinery loans (asset-purchase), which makes up 10% of loans.

According to Kinara Capital’s Management team, its turnaround time of 5-7 days for loan disbursement is a key differentiator from its competitors. Kinara Capital sources its customers through a feet-on-street approach, targeting industrial hubs of over 5,000 microenterprises. In August 2019, Kinara Capital launched its HerVikas program, which offers women-owned and/or women-led businesses a discount of 0.5% - 1.0% on the processing fee, with the purpose of encouraging women-owned and women-led small businesses. The HerVikas loan portfolio has grown to US\$2 million as of March 31, 2020 (2% of loans).

As of March 31, 2020, it had more than 1,250 staff in 110 branches across six states in India, including 368 field officers. Its staff turnover has historically been 30-35% per annum, with the bulk of this concentrated in the sales force (loan officers).

Funding Sources & Liquidity

All of Kinara Capital’s loans and borrowings are INR-denominated. Three quarters of its balance sheet is supported by debt with an average tenor of about 27 months as of June 30, 2020. In contrast, the average tenor of a new loan disbursed to a borrower is 30 months. It has 32 borrowing relationships with various lenders and banks. According to its management, its average cost of funds in the first quarter of fiscal year 2021 was 12.99%, and it recorded a net interest margin (excluding fees) of 12.61% due to strong asset yields.

Subsequent to the end of fiscal year 2020, Kinara Capital raised INR 230 million (US\$3.1 million) in equity from its existing investors.

Financial Results Commentary

Kinara Capital's net profit increased from US\$249,000 in fiscal year 2017 to US\$2.5 million in fiscal year 2020. It posted an ROA of 2.00% in fiscal year 2020. This was achieved on the back of rapid loans growth (69.1% CAGR between fiscal year 2017 and fiscal year 2020), rising loan yields and improving cost efficiency. Although Kinara Capital was established in 2011, it only started growing aggressively from fiscal year 2017 to fiscal year 2019 because it needed time to understand the market and to build up its credit capabilities. As these loans aged and seasoned over time, the volume of written-off loans rose to 3.2% of gross loans in fiscal year 2019. Kinara Capital had a PAR90 of 4.5%, 3.7% and 2.1% as of March 31, 2020, 2019 and 2018, respectively.

Kinara Capital generated loan yields in fiscal year 2020 of 31.2%, as its focus on loans to micro and small businesses without property collateral is a niche segment with little competition. Cost efficiency improved from fiscal year 2017 to fiscal year 2020 as operating leverage kicked in with a larger balance sheet. Kinara Capital had a GLP of US\$111.4 million, US\$87.4 million and US\$51.8 million as of March 31, 2020, 2019 and 2018, respectively.

Subsequent to the reporting period, the impact of the COVID-19 pandemic has affected loan growth as Kinara Capital's loans contracted by 4% quarter-on-quarter in the first quarter of fiscal year 2021 and contracted by a further 4% quarter-on-quarter in the second quarter of fiscal year 2021. As of August 31, 2020, when the moratorium period ended, 37% of Kinara Capital's loan book was under moratorium. This amounts to US\$40 million, or 1.5x its shareholders funds.

Kinara Capital has insured US\$80 million (71% of March 2020 gross loans) of gross loans with the Small Industries Development Bank of India, or SIDBI. This guarantees 75% of principal and interest if loans exceed 90 days past due. Cost of this insurance is 0.8%.

Kinara Capital's fiscal year ends on March 31.

COVID-19 Impact and Mitigation Statement

On March 11, 2020, the World Health Organization declared the COVID-19 outbreak to be a pandemic. On March 24, 2020, the Indian government announced a 21-day national lockdown with further extensions and relaxations based on the spread of the pandemic. The onset of COVID-19 and subsequent lockdown across different states of the country brought a major disruption in the value chains across industries and sectors adversely impacting the economy.

Kinara Capital stopped disbursements during the lockdown period. However, collections, being handled digitally, continued normally. As required by the RBI, Kinara Capital has granted a moratorium of up to six months on the payment of all instalments (principal and interest) falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers. The repayment schedule for such loans, as well as the residual tenor, has been extended since the moratorium period. Interest continues to accrue on the outstanding portion of the loans during the moratorium period at the same contractual interest rate at which the loan contract was entered.

The ongoing effects of the COVID-19 pandemic may present significant hardships to the Borrowers and the Borrowers' clients. See "*Risk Factors — Risks Relating to the Performance of the Loans — Risks Relating to the Current COVID-19 Pandemic.*"

Selected Consolidated Financial Information

Kinara Capital's audited consolidated financial statements as of and for each of the fiscal years ended March 31, 2017 have been prepared in accordance with the General Accepted Accounting Principles in India. Audited consolidated financial statements as of and for each of the twelve months ended March 31, 2018, 2019 and 2020 included in this Information Memorandum have been prepared in accordance with Indian Accounting Standards (IndAS) and audited by BSR & Co LLP, which expressed an unqualified opinion on such financial statements.

Visage Holdings and Finance Private Limited

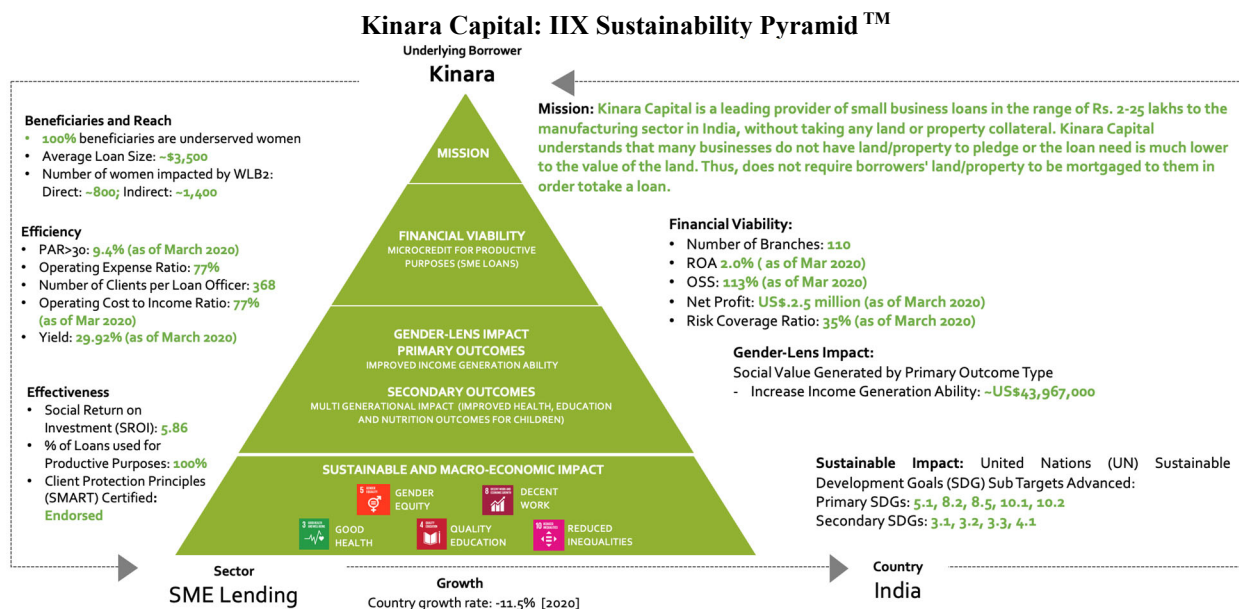
Visage Holdings and Finance Private Limited	FY Mar 2017	FY Mar 2018	FY Mar 2019	FY Mar 2020
Balance Sheet (USD)	(Audited)	(Audited)	(Audited)	(Audited)
ASSETS				
Financial assets				
Cash & cash equivalents	5,649,066	6,167,300	29,581,769	14,497,456
Bank balance other than cash equivalents	-	821,468	1,536,418	2,079,756
Loans	23,040,342	50,541,533	82,432,839	107,741,692
Other financial assets	56,430	335,224	859,124	1,623,976
Total financial assets	28,745,839	57,865,526	114,410,150	125,942,880
Non-financial assets				
Current tax assets (net)	-	-	34,989	657,313
Deferred tax assets (net)	87,093	657,286	1,712,449	1,170,372
Property, plant & equipment	146,641	283,133	358,430	1,113,106
Capital work-in-progress	-	-	135,642	23,511
Intangible assets under development	82,688	-	-	12,300
Other intangible assets	-	64,497	112,927	186,115
Right to use assets	-	76,479	90,543	698,272
Other non-financial assets	1,217,435	304,667	924,245	2,471,556
Total non-financial assets	1,533,857	1,386,062	3,369,224	6,332,544
Total assets	30,279,696	59,251,587	117,779,374	132,275,424
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Trade payables				
(i) Total outstanding dues of micro enterprises and small enterprises	9,752	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13,401	18,350	104,515	169,516
Debt securities	-	25,604,750	35,141,288	34,213,660
Borrowings (other than debt securities)	17,693,382	34,344,087	49,416,526	57,180,748
Subordinated liabilities	-	1,589,637	6,392,649	6,389,996
Lease liabilities	-	82,025	95,691	736,312
Other financial liabilities	8,910,751	2,439,221	4,268,007	6,282,602
Total financial liabilities	26,627,286	64,078,071	95,418,675	104,972,833
Non-financial liabilities				
Current tax liabilities (net)	-	42,538	24,706	12,393
Provisions	318,214	84,931	155,359	211,948
Other non-financial liabilities	-	183,979	334,813	441,344
Total non-financial liabilities	318,214	311,447	514,877	665,685
EQUITY				
Equity share capital	363,817	587,322	801,207	842,963
Other equity	2,970,378	(5,725,253)	21,044,681	25,793,943
	3,334,196	(5,137,931)	21,845,888	26,636,906
Total liabilities and equity	30,279,696	59,251,587	117,779,441	132,275,424

Visage Holdings and Finance Private Limited Income Statement (USD)	FY Mar 2017 (Audited)	FY Mar 2018 (Audited)	FY Mar 2019 (Audited)	FY Mar 2020 (Audited)
Revenue from operations				
Interest income	3,695,052	7,427,161	19,151,310	29,651,501
Fee and commission income	688,428	1,923,077	743,138	1,040,202
Net gain on derecognition of financial instruments	-	-	-	273,836
(I) Total revenue from operations	4,383,480	9,350,238	19,894,448	30,965,539
(II) Other income	138,141	339,329	54,380	69,313
(III) Total income (I+II)	4,521,622	9,689,567	19,948,828	31,034,851
Expenses				
Finance costs	2,142,707	4,188,276	8,799,077	13,323,968
Net loss on fair value changes	-	-	12,513	35,092
Impairment on financial instruments	-	499,391	5,027,045	2,220,910
Employee benefits expenses	1,216,878	2,491,139	4,993,197	7,597,464
Depreciation, amortization and impairment	100,879	201,404	347,683	674,116
Other expenses	830,287	1,331,522	2,211,660	3,566,030
(IV) Total expenses	4,290,751	8,711,732	21,391,176	27,417,580
	-	-	-	-
(V) Profit before tax (III-IV)	230,871	977,835	(1,442,349)	3,617,272
(VI) Tax expense				
(1) Current tax - Current year	72,451	418,733	776,211	569,849
- Earlier year	-	14,220	(64,086)	-
(2) Deferred tax charge (credit)	(90,702)	(92,634)	(1,083,839)	543,399
	(18,251)	340,319	(371,714)	1,113,248
(VII) Profit for the year	249,122	637,516	(1,070,635)	2,504,024

Impact Overview

Kinara Capital is a SME Lending company in India, providing small business loan to the manufacturing sector in country, without taking any land or property collateral. Kinara will ring fence its Loan for its HerVikas program that provides affordable loans to women-owned SMEs at a discounted rate ranging between 50 bps to 100bps with a view to encourage women's entrepreneurship.

Proceeds from Kinara Capital's Loan are expected to be used to expand its loan portfolio and create an estimated social value of approximately US\$43,967,000 over 4 years, directly impacting the livelihood of approximately 800 underserved women and indirectly impacting the lives of approximately 1,400 underserved women and girls while generating US\$5.86 of social value for every US\$1 invested. The figure below provides an overview of the impact using the IIX Sustainability Pyramid™.



Primary Outcomes

Kinara Capital will use its Loan proceeds to advance SDG 1: No Poverty, SDG 5: Gender Equality, SDG 8: Decent Work and Economic Growth and SDG 10: Reduced Inequalities through the following primary outcomes:

- Improved Income Generation Ability:** Approximately 100% of Kinara Capital's loans are used for productive purposes such as setting up businesses, which help low-income women increase their annual income. Such activities promote financial inclusion and enable women to lift themselves out of poverty. The estimated net social value generated for women clients through these micro-credit products is approximately US\$43,967,000.

Secondary Outcomes

- Multi-Generational Impact:** A further approximately 700 female family members are expected to indirectly benefit from improved health, nutrition, and education-related outcomes, thereby advancing SDG 3: Good Health and SDG 4: Quality Education.

TERMS AND CONDITIONS OF THE BONDS

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

The US\$24,700,000 3.95 per cent. Women’s Livelihood Bonds due 2024 (the “**Bonds**”) of WLB Asset II B Pte. Ltd. (the “**Issuer**”) are constituted by a Trust Deed (the “**Trust Deed**”) dated December 10, 2020 (the “**Closing Date**”) made between (i) the Issuer, (ii) Impact Investment Exchange Pte. Ltd. (“**IIX**”), (iii) The Bank of New York Mellon, London Branch (the “**Bonds Trustee**”, which expression shall include each person or persons for the time being acting as bonds trustee or bonds trustees pursuant to the Trust Deed) as trustee for the holders of the Bonds (the “**Bondholders**”), and (iv) The Bank of New York Mellon, Singapore Branch, as the security trustee (the “**Security Trustee**,” which expressly shall include each person or persons for the time being acting as security trustee or security trustees pursuant to the Trust Deed).

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

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed. Terms and expressions used but not defined herein have the respective meanings given to them in the Trust Deed. Copies of the Trust Deed, the Charge Over Accounts and the agency agreement dated the Closing Date (the “**Agency Agreement**”) made between (i) the Issuer, (ii) IIX, (iii) the Bonds Trustee, (iv) The Bank of New York Mellon, London Branch, as the principal paying agent (the “**Principal Paying Agent**”, which expression shall include its successor(s)), (v) The Bank of New York Mellon SA/NV, Luxembourg Branch, as the transfer agent (the “**Transfer Agent**”, which expression shall include its successor(s)), and (vi) The Bank of New York Mellon SA/NV, Luxembourg Branch, as the registrar (the “**Registrar**”, which expression shall include its successor(s)), and together with the Principal Paying Agent and the Transfer Agent, the “**Agents**”) are, for so long as there are outstanding Bonds, available for inspection during normal business hours by the Bondholders, subject to prior written notice and the provision of proof of holdings, at the principal office for the time being of the Bonds Trustee, being at the Closing Date at One Canada Square, London, E14 5AL, United Kingdom and at the specified office of each Agent. The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Charge Over Accounts and the Agency Agreement applicable to them.

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

1. FORM, DENOMINATION AND TITLE

1.1 FORM AND DENOMINATION

The Bonds are issued in registered form in denominations of US\$250,000 and integral multiples of US\$1,000 in excess thereof. A certificate (each a “**Certificate**”) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Certificate will be serially numbered with an identifying number which will be recorded on the relevant Certificate and in the register of Bondholders (the “**Register**”) which the Issuer will procure to be kept by the Registrar.

1.2 TITLE

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

1.3 **HOLDER ABSOLUTE OWNER**

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

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

2.1 **TRANSFERS**

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

2.2 **DELIVERY OF NEW CERTIFICATES**

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

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

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

2.3 **FORMALITIES FREE OF CHARGE**

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

2.4 **CLOSED PERIODS**

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

2.5 **REGULATIONS**

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds scheduled to the Trust Deed. The regulations may be changed by the Issuer, with the prior written approval of the Registrar. A copy of the current regulations will be available for inspection by Bondholders with prior written notice and satisfactory proof of holding between 9:00a.m. and

3:00p.m. (London Time) from Monday to Friday (other than public holidays) at the specified office of the Principal Paying Agent.

2.6 ACCOUNTS

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

2.7 FUNDING ACCOUNT

- (a) On the Closing Date, the Issuer must ensure that all Bond proceeds, and all proceeds of the Subordinated Debt (as defined in Condition 8.2), are deposited directly into the Funding Account.
- (b) From (and including) the Closing Date to (but excluding) the date that is 90 days after the Closing Date, the Issuer may apply amounts standing to the credit of the Funding Account to:
 - (i) make:
 - (1) Loans to Borrowers (each as defined in Condition 8.2); and
 - (2) payments due to Permitted Hedging Counterparties (other than a Defaulting Hedging Counterparty) under the Permitted Hedging Agreements; and
 - (ii) pay:
 - (1) any due and payable taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed on the Issuer by any Government Agency (as defined in Condition 5);
 - (2) any due and payable administrative costs and expenses properly incurred by the Issuer in connection with the establishment and operation of the Issuer (including management fees payable by the Issuer to the Portfolio Manager pursuant to the terms of the Management Agreement (as defined in Condition 10.3) and to the Corporate Services Provider under the Administrative Services Agreement (each as defined in Condition 10.3));
 - (3) any fees, costs or expenses properly incurred by the Issuer (or reimbursement of any such fees, costs or expenses incurred by the Portfolio Manager on behalf of the Issuer) in connection with the extension of Loans to the Borrowers, the preparation and entering into the Permitted Hedging Agreements or any other activities relating to the establishment or operation of the Issuer;
 - (4) any fees due and payable to USIDFC in accordance with the terms of the Limited Guarantee (as defined in Condition 8.2);
 - (5) any fees, costs and expenses due and payable to the Bonds Trustee, the Security Trustee and the Agents in accordance with the terms of the Transaction Documents; and
 - (6) any fees due and payable to MFX Solutions Inc. under the Additional Access Fee Agreement between the Issuer and MFX Solutions Inc. dated on or around the Closing Date;

(together, the “**Initial Transaction Costs**”) **PROVIDED THAT** the total amount which may be withdrawn from the Funding Account for the payment of the Initial Transaction Costs shall not exceed US\$965,000 (the “**Initial Transaction Costs Limit**”).

- (c) On the date that is 90 days after the Closing Date, the Issuer:
 - (i) must transfer a total of US\$230,000 from the Funding Account to the Debt Service Reserve Account;
 - (ii) if the amount of Initial Transaction Costs is less than the Initial Transaction Costs Limit, must transfer an amount representing the difference to the Collection Account; and
 - (iii) must transfer from the Funding Account the credit balance (if any) remaining in the Funding Account after all other withdrawals, applications and transfers under this Condition 2.7 (including any transfers pursuant to Condition 2.7(c)(ii)) prior to that date to (a) a separate sub-account of the Recovery Account if such credit balance is more than US\$100,000 or (b) the Collection Account if such credit balance is not more than US\$100,000.
- (d) The Issuer must not use amounts standing to the credit of the Funding Account for any purpose other than as permitted under this Condition 2.7.

2.8 DEBT SERVICE RESERVE ACCOUNT

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

2.9 RECOVERY ACCOUNT

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

2.10 USIDFC RESERVE ACCOUNT

- (a) In accordance with Condition 3.2(a), on each Bond Payment Date the Issuer shall deposit into the USIDFC Reserve Account an amount sufficient to pay the maximum amount of the next succeeding fee to USIDFC under the terms of the Limited Guarantee.

- (b) On the Business Day (as defined in Condition 7.5) prior to each Expense Payment Date on which fees are payable to USIDFC under the terms of the Limited Guarantee, the Issuer shall transfer an amount equal to such fees payable from the USIDFC Reserve Account to the Collection Account for application in accordance with Condition 3.2(a).

2.11 COLLECTION ACCOUNT

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

3. STATUS AND PRIORITY OF PAYMENTS

3.1 STATUS

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

3.2 PRIORITY OF PAYMENTS

(a) Pre-enforcement Order of Priority

At any time before the security created under the Charge Over Accounts is enforced and subject to Condition 8.2, the Issuer shall not withdraw or apply or instruct the Account Bank (as defined in Condition 8.2) to withdraw or apply any funds from the Collection Account prior to the date that all amounts due under the Bonds and the Transaction Documents (as defined in Condition 10.3) have been paid in full; provided that, the Issuer may withdraw or apply funds from the Collection Account towards the following items in the following order of priority (in each case, only if and to the extent that payments or provisions of a higher order of priority have been made in full and to the extent that the Collection Account will not have a debit balance as a result):

- (i) first, in the case of both an Expense Payment Date and a Bond Payment Date, in or towards payment, *pari passu* and rateably, of any due and payable Taxes imposed on the Issuer by any Government Agency;
- (ii) second, in the case of both an Expense Payment Date and a Bond Payment Date, in or towards payment, *pari passu* and rateably, of the remuneration of and all fees, costs, charges, expenses and liabilities incurred by the Bonds Trustee, Security Trustee and each Agent (when acting as agent of the Trustee in accordance with clause 2.4 of the Trust Deed and clause 4.1 of the Agency Agreement), in performing their respective functions under the Transaction Documents;
- (iii) third, in the case of both an Expense Payment Date and a Bond Payment Date or other payment date under a Permitted Hedging Agreement (as defined in Condition 8.2), in or towards payment, *pari passu* and rateably, of: (1) the remuneration of and all fees, costs, charges, expenses and liabilities incurred by the Agents in performing their functions under the Transaction Documents (to the extent not already satisfied under Condition 3.2(a)(ii) above); and (2) payments due to Permitted Hedging Counterparties (other than a Defaulting Hedging Counterparty) under the Permitted Hedging Agreements;

- (iv) fourth, in the case of both an Expense Payment Date and a Bond Payment Date, in or towards payment of any fees then due and payable to USIDFC in accordance with the terms of the Limited Guarantee;
- (v) fifth, in the case of a Bond Payment Date only, into the USIDFC Reserve Account an amount sufficient to pay the maximum amount of the next succeeding fee to USIDFC under the terms of the Limited Guarantee;
- (vi) sixth, in the case of both an Expense Payment Date and a Bond Payment Date, in or towards payment, *pari passu* and rateably, of:
 - (1) any due and payable administrative costs and expenses properly incurred by the Issuer in connection with the establishment and operation of the Issuer (including management fees payable by the Issuer to the Portfolio Manager pursuant to the terms of the Management Agreement and to the Corporate Services Provider under the Administrative Services Agreement), up to an amount equal to the Senior Expenses Cap for the related payment period less the amount of Senior Expenses previously paid in such period, provided that if an Event of Default has occurred and is continuing, the Senior Expenses Cap shall not apply in respect of such administrative costs and expenses; and
 - (2) costs and expenses properly incurred by the Issuer (including reasonable legal costs) in connection with the realisation, recovery or enforcement of any Loan, up to an amount equal to the Senior Expenses Cap for the related payment period less the amount of Senior Expenses previously paid in such period, provided that if an Event of Default has occurred and is continuing, the Senior Expenses Cap shall not apply in respect of such administrative costs and expenses;
- (vii) seventh, in the case of a Bond Payment Date only, in or towards payment of interest due and payable to Bondholders in respect of the Bonds, *pari passu* and rateably;
- (viii) eighth, in the case of a Bond Payment Date only and if such date is the Maturity Date, and, at the sole discretion of the Issuer, into a sub-account of the Collection Account an amount up to the Reserve Amount (as defined below), provided that:
 - (1) on the Maturity Date, there are insufficient funds in the Collection Account (which shall, for the avoidance of doubt, be calculated without accounting for any Reserve Amount) to pay Bondholders all amounts set out in Condition 3.2(a)(ix) below in accordance with the priority of payments set out in this Condition 3.2(a); and
 - (2) there is a reasonable prospect that the Issuer will receive, during the period between the Maturity Date and the Long-Stop Date (both dates inclusive), proceeds from the realisation, recovery or enforcement of any Accelerated Loan in aggregate amount greater than the Reserve Amount;
- (ix) ninth, in the case of a Bond Payment Date only, in or towards payment of principal and any other amounts due and payable to Bondholders in respect of the Bonds, *pari passu* and rateably, including any such amounts due and payable on early redemption of the Bonds;
- (x) tenth, in the case of a payment date under a Permitted Hedging Agreement, in or towards payments due to any Defaulting Hedging Counterparty (as defined below) under the Permitted Hedging Agreements;
- (xi) eleventh, in the case of a Bond Payment Date only, interest, fees and expenses accrued and unpaid on the Subordinated Debt (to the extent payable in cash under the terms thereof and

net of any withholding Taxes imposed on the Issuer in connection therewith by any Government Agency, which shall be paid to such Government Agency);

- (xii) twelfth, in the case of the Bond Payment Date only and if such date is the Maturity Date or the Long-Stop Date, the unpaid and outstanding principal of the Subordinated Debt;
- (xiii) thirteenth, in the case of an Expense Payment Date, a Bond Payment Date or any applicable payment date in or towards payment, *pari passu* and rateably, of (1) any due and payable administrative costs and expenses (if any) properly incurred by the Issuer in connection with the establishment and operation of the Issuer (including management fees payable by the Issuer to the Portfolio Manager pursuant to the terms of the Management Agreement and to the Corporate Services Provider under the Administrative Services Agreement), not paid by reason of the Senior Expenses Cap; (2) costs and expenses properly incurred by the Issuer (including reasonable legal costs) in connection with the realisation, recovery or enforcement of any Loan, not paid by reason of the Senior Expenses Cap; (3) only to the extent funds are received from the Monetary Authority of Singapore with respect to the Sustainable Bond Grant Scheme, the amounts up to the U.S. Dollar equivalent of SGD\$ 20,000 (Twenty Thousand Singapore Dollars) payable to IIX Global Charitable Limited for their second party opinion certifying compliance of the Bonds with the International Capital Markets Association’s Social Bond Principles and the ASEAN Capital Markets Forum’s Social Bond Standards and attached as an annex to the Information Memorandum relating to the offering of the Bonds; and (4) only to the extent funds are received from the Monetary Authority of Singapore with respect to the Asian Bond Grant Scheme, the amounts up to US\$ 50,000 (Fifty Thousand U.S. Dollars) payable to the Portfolio Manager as a contingent fee under the Management Agreement; and
- (xiv) fourteenth, in the case of a Bond Payment Date only and if such date is the Maturity Date or the Long-Stop Date, the surplus (if any) shall be paid to the Portfolio Manager.

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

In this Condition, “Reserve Amount” means US\$ 300,000 or such other amount as may be approved by the Bondholders by way of an Extraordinary Resolution.

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

(b) Application of Reserve Amount

- (i) Subject to Condition 3.2(b)(ii) below, the Issuer may withdraw all or part of the Reserve Amount from the Collection Account at any time on or after the Maturity Date in or towards payment of:
 - (1) any due and payable administrative costs and expenses properly incurred by the Issuer in connection with the operation and winding down of the Issuer (including fees payable by the Issuer to the Corporate Services Provider under the Administrative Services Agreement); and
 - (2) costs and expenses properly incurred by the Issuer (including reasonable legal costs) in connection with the realisation, recovery or enforcement of any Accelerated Loan.

- (ii) If, at any time after the Maturity Date, there is no reasonable prospect that the Issuer will receive, during the period between the date of such determination and the Long-Stop Date (both dates inclusive), proceeds from the realisation, recovery or enforcement of any Accelerated Loan in aggregate amount greater than the remaining Reserve Amount standing to the credit of the relevant sub-account of the Collection Account on the date of such determination, the Issuer shall, on the next Bond Payment Date, Expense Payment Date or any other payment date, as applicable, apply such remaining Reserve Amount towards the payment of all amounts payable under Condition 3.2(a)(ix), 3.2(a)(xi), 3.2(a)(xii) and 3.2(a)(xiv).

(c) **Post-enforcement Order of Priority**

At any time after the security created under the Charge Over Accounts is enforced, all moneys received by the Bonds Trustee or the Security Trustee in connection with the realisation and enforcement of the Charge Over Accounts or credited to the Collection Account shall be held on trust for the payees referred to below to be applied in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full and to the extent that the Collection Account will not have a debit balance as a result):

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

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

4. SECURITY

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

5. COVENANTS

5.1 **THE ISSUER HAS GIVEN CERTAIN COVENANTS TO THE BONDS TRUSTEE PURSUANT TO THE TRUST DEED. IN PARTICULAR, EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE BONDS TRUSTEE OR AS EXPRESSLY PROVIDED IN THESE CONDITIONS OR ANY OF THE TRANSACTION DOCUMENTS, THE ISSUER SHALL NOT, SO LONG AS ANY BOND REMAINS OUTSTANDING:**

(a) *Negative Pledge*

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

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

(b) *Restriction on Activities*

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

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

(c) *No Real Property*

directly or indirectly own real property.

(d) *Non-disposal*

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

- (i) the security over the Accounts created under the Charge Over Accounts or any transfer, disposal or grant of any such right pursuant to the Limited Guarantee or the Permitted Hedging Agreements; and
- (ii) in the reasonable judgment of the Portfolio Manager, any Accelerated Loan described in limb (a) of the definition thereof, including, without limitation, pursuant to restructuring or enforcement proceedings or by sale or other disposal to a collection agent or recovery specialist;

(e) *Indebtedness*

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

In this Condition:

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

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

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

- (viii) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
 - (ix) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (viii) above;
- (f) *Amendment or Prepayment of Subordinated Debt*
- amend any term of the Subordinated Debt, or pay any principal of or any interest on the Subordinated Debt other than as contemplated in these Conditions;
- (g) *Merger and Consolidation*
- directly or indirectly consolidate or merge with or into another person; and
- (h) *No Subsidiaries or Employees*
- directly or indirectly incorporate or acquire a subsidiary or have any employees.

5.2 **FOR SO LONG AS ANY BONDS ARE OUTSTANDING, THE ISSUER WILL PROVIDE TO THE BOND TRUSTEE AN INITIAL LOAN SCHEDULE, SEMI-ANNUAL LOAN PERFORMANCE REPORTS, ANNUAL AUDITED ACCOUNTS, SEMI-ANNUAL UNAUDITED ACCOUNTS, SEMI-ANNUAL CERTIFICATES OF COMPLIANCE AND SEMI-ANNUAL REPORTS AND ANNUAL REPORTS IN RELATION TO THE BORROWERS PREPARED BY THE PORTFOLIO MANAGER.**

5.3 **IF THE PORTFOLIO MANAGER FAILS TO PERFORM OR OBSERVE ANY OF ITS OBLIGATIONS UNDER THE MANAGEMENT AGREEMENT, AND SUCH FAILURE CONTINUES FOR A PERIOD OF 60 DAYS FOLLOWING THE SERVICE BY THE BONDS TRUSTEE ON THE PORTFOLIO MANAGER, OF NOTICE REQUIRING THE SAME TO BE REMEDIED, THE BONDS TRUSTEE MAY AND IF INSTRUCTED BY AN EXTRAORDINARY RESOLUTION OF THE BONDHOLDERS AND SUBJECT TO BEING INDEMNIFIED AND/OR SECURED AND/OR PRE-FUNDED TO ITS SATISFACTION, SHALL, REMOVE AND REPLACE THE PORTFOLIO MANAGER.**

6. INTEREST

6.1 INTEREST RATE AND PAYMENT DATES

Each Bond shall bear interest on its principal amount from and including the Closing Date to, but excluding, its date of redemption at the rate of 3.95 per cent. per annum, payable semi-annually in arrears on each Bond Payment Date. The first payment (representing a full six months' interest) for the period from and including December 10, 2020 to but excluding June 10, 2021 and amounting to US\$19.75 per US\$1,000 in principal amount of Bonds shall be made on June 10, 2021.

6.2 INTEREST ACCRUAL

Interest also accrues at the rate of 3.95 per cent. per annum on the amount of any interest accrued but unpaid on any prior Bond Payment Date (excluding any Interest Shortfall Amounts (as defined in Condition 8.2(d))).

6.3 **CALCULATION OF BROKEN INTEREST**

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

7. **PAYMENTS**

7.1 **PAYMENTS IN RESPECT OF BONDS**

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

For so long as the Bonds are represented by a Global Certificate deposited with a common depository for Euroclear and Clearstream, Luxembourg, each payment will be made to, or to the order of, the person whose name is entered in the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where “Clearing System Business Day” means Monday to Friday inclusive except 25 December and 1 January and any day on which banks are required or permitted to be closed in the city of New York.

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

7.2 **PAYMENTS SUBJECT TO APPLICABLE LAWS, INCLUDING TAXATION**

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

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

7.3 **NO COMMISSIONS**

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

7.4 TIMING FOR PAYMENTS

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

In these Conditions:

“**Bond Payment Date**” means each date falling on the 10th day of June and December of each year, commencing June 10, 2021; and

“**Expense Payment Date**” means each date falling on the 10th day of each month other than June and December of each year, commencing January 10, 2021.

7.5 PAYMENT ON BUSINESS DAYS

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

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

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

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

7.6 PARTIAL PAYMENTS

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

7.7 AGENTS

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

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

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

8. REDEMPTION, PURCHASE AND SURPLUS FUNDS

8.1 REDEMPTION AT MATURITY

- (a) Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem the Bonds at their principal amount on December 10, 2024 (the “**Maturity Date**”; *provided, however*, that if all of the outstanding Bonds are redeemed or purchased and cancelled as provided in Conditions 8.2 to 8.4 (inclusive) below, the Maturity Date shall be deemed to be the date of such redemption or purchase). The Bonds may not be redeemed other than in accordance with this Condition 8.
- (b) On the Maturity Date and the Long-Stop Date, in addition to amounts payable under Condition 8.1(a), the Issuer shall pay to the Portfolio Manager any Surplus Funds (as defined below) in the Collection Account as of such date.

8.2 MANDATORY SPECIAL REDEMPTION EVENT AND POST-MATURITY PAYMENT

- (a) The Issuer shall give notice to the Bonds Trustee and the Bondholders in accordance with Condition 13 promptly upon (and in any event no later than five (5) days of) the occurrence of a Special Redemption Event, which notices shall be irrevocable and shall specify:
 - (i) the date of occurrence of the Special Redemption Event;
 - (ii) in respect of each Accelerated Loan (if any) to which such Special Redemption Event relates, the amount which is accelerated thereunder, the outstanding principal amount of the Accelerated Loan, the related Special Redemption Principal Amount (as defined below) and the name of the relevant Borrower;
 - (iii) in respect of each Unfunded Amount (if any) to which such Special Redemption Event relates, the Unfunded Amount and the related Special Redemption Principal Amount; and
 - (iv) the Special Redemption Date (as defined below).
- (b) The Issuer shall, on each Special Redemption Date, apply amounts standing to the credit of the relevant sub-account of the Recovery Account in the following order of priority:
 - (i) first, if the relevant Accelerated Loan is a USIDFC Covered Loan, in or towards the payment of any amounts due to USIDFC under Article VI of the Limited Guarantee in respect of that Accelerated Loan;
 - (ii) second, in or towards the payment of any accrued but unpaid interest on a principal amount of the Bonds equal to the Special Redemption Principal Amount, *pari passu* and rateably; and
 - (iii) third, in or towards repayment of the principal amount of the Bonds, *pari passu* and rateably, up to an aggregate amount equal to the Special Redemption Principal Amount.
- (c) To the extent that the funds available for application in accordance with Condition 8.2(b) are insufficient to satisfy in full the Issuer’s obligations under Condition 8.2(b)(ii) and 8.2(b)(iii), the Issuer must, on the Special Redemption Date, apply any funds standing to the credit of the Debt Service Reserve Account in the following order of priority:
 - (a) first, in or towards the payment of any accrued but unpaid interest on a principal amount of the Bonds equal to the Special Redemption Principal Amount, *pari passu* and rateably; and
 - (b) second, in or towards repayment of the principal amount of the Bonds, *pari passu* and rateably, up to an aggregate amount equal to the Special Redemption Principal Amount.

- (d) To the extent that the funds available for application under Conditions 8.2(b) and 8.2(c) are insufficient to:
- (i) pay all accrued but unpaid interest on a principal amount of the Bonds equal to the Special Redemption Principal Amount of the Bonds (such shortfall, the “**Interest Shortfall Amount**”); and
 - (ii) repay the principal amount of the Bonds in an aggregate amount equal to the Special Redemption Principal Amount (such shortfall, the “**Principal Shortfall Amount**” and, together with any Interest Shortfall Amount, the “**P&I Shortfall Amount**”),

any amount recovered in respect of any P&I Shortfall Amount from (and including) the relevant Special Redemption Date must be deposited by the Issuer into the relevant sub-account of the Recovery Account.
- (e) Any amount recovered in respect of any P&I Shortfall Amount:
- (i) from (and including) the relevant Special Redemption Date to (but excluding) the Maturity Date shall be distributed by the Issuer to Bondholders on the Maturity Date; and
 - (ii) from (and including) the Maturity Date to (but excluding) the Long-Stop Date shall be distributed by the Issuer to the Bondholders on the Long-Stop Date, after deducting all amounts due and payable to USIDFC under the Limited Guarantee.

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

In these Conditions:

“**Accelerated Loan**” means:

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

“**Account Bank**” means DBS Bank Ltd. or such other bank in Singapore as the Accounts may be maintained with from time to time;

“Borrower” means each of Chamroeun Microfinance Plc, Maxima Microfinance Plc, CV Evergreen Buana Prima Sandang, Negros Women for Tomorrow Foundation, Inc., Katra Phytochem (Singapore) Pte Ltd, Visage Holdings and Finance Private Limited, CreditAccess Philippines Financing Company, Inc, and Centrum Microfinance Limited; and any other entity notified by the Issuer to the Bonds Trustee in a certificate signed by two directors of the Issuer certifying that (i) the Loan to such entity will not have a principal amount in excess of US\$10,000,000, (ii) the Loan to such entity will not (when aggregated with all of the other Loans) result in more than 25% of the principal amount of the Loans being allocated to Borrowers organized under the laws of Cambodia, and (iii) such entity meets the following criteria (provided that such other entities shall in aggregate be allocated not more than 25% of the Loans):

Either:

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

or:

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

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

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

“Collection Account” means the U.S. Dollar account number 072-027607-8 in the name of the Issuer maintained with the Account Bank and any sub-account of such account;

“Debt Service Reserve Account” means the U.S. Dollar account number 072-027606-0 in the name of the Issuer maintained with the Account Bank and any sub-account of such account;

“Funding Account” means the U.S. Dollar account number 072-027411-3 in the name of the Issuer maintained with the Account Bank and any sub-account of such account;

“**Limited Guarantee**” means the loan portfolio guarantee agreement (reference no. 497-DCA-19-012) dated September 6, 2019, made among United States Agency for International Development (now under the authority of the United States International Development Finance Corporation as reflected in the Notice of Transfer of Guarantees to the United States International Development Finance Corporation dated January 31st, 2020), the Issuer and WLB Asset II Pte Ltd, WLB Asset II C Pte Ltd, WLB Asset II D Pte Ltd and the Portfolio Manager, as such agreement has been amended on January 17, 2020 and may be amended from time to time, taken together with any consents and approvals provided thereunder;

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

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

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

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

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

“**Recovery Account**” means the U.S. Dollar account number 072-027609-4 in the name of the Issuer maintained with the Account Bank and any sub-account of such account (which, if applicable, will correspond to each Accelerated Loan and each Unfunded Amount);

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

“**Senior Expenses Cap**” means, in respect of each annual period the first of which shall begin on the Closing Date and end on the first anniversary of the Closing Date, and each subsequent such period shall begin on the day following the end of the previous period and end on the next following anniversary of the Closing Date, US\$382,000 per annum; *provided that* any unused amounts at the end of each annual period will be carried forward to the next annual period;

“**Special Redemption Principal Amount**” means, as at any date of determination with respect to each Unfunded Amount and each Accelerated Loan, an amount equal to:

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

where:

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

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

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

“Special Redemption Date” means the date fixed for redemption of the Bonds as specified in the notice given by the Issuer pursuant to Condition 8.2(a), which date shall be:

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

“Special Redemption Event” occurs if:

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

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

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

“Subordinated Debt” means the Issuer’s 8% subordinated notes in an aggregate principal amount of US\$3,000,000 (as such principal amount may be increased pursuant to the terms thereof), such notes being subordinated in right of payment to the Bonds as specified in these Conditions.

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

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

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

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

“Transaction Documents” means each of the Trust Deed, the Agency Agreement, the Charge Over Accounts, the Subordination Agreement, the Management Agreement and the Administrative Services Agreement.

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

“USIDFC” means U.S. International Development Finance Corporation;

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

“USIDFC Covered Loan” means a Loan for which a Borrower has defaulted in any principal payment and USIDFC has, under the terms of the Limited Guarantee, paid the Issuer an amount equal to 50 per cent. of the unpaid principal amount; and

“**USIDFC Reserve Account**” means the U.S. Dollar account number 072-027608-6 in the name of the Issuer maintained with the Account Bank and any sub-account of such account.

8.3 PURCHASES

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

8.4 CANCELLATIONS

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

8.5 NOTICES FINAL

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

9. PRESCRIPTION

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

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

10. EVENTS OF DEFAULT

10.1 EVENTS OF DEFAULT

An “**Event of Default**” occurs if:

- (a) default is made in the payment of any principal (including Principal Shortfall Amounts, but not the creation of a Principal Shortfall Amount) or interest (including Interest Shortfall Amounts, but not the creation of an Interest Shortfall Amount) due in respect of the Bonds or any of them and the default continues for a period of 30 days;
- (b) any order is made by any competent court or resolution is passed for the winding up or dissolution of the Issuer;
- (c) the Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent;
- (d) (i) proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to the whole or any part of the undertaking or assets of the Issuer or an encumbrancer takes possession of the whole or any part of the undertaking or assets of the Issuer, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or any part of the

undertaking or assets of the Issuer, and (ii) in any such case (other than the appointment of an administrator or an administrative receiver appointed following presentation of a petition for an administration order) unless initiated by the Issuer, is not discharged within 14 days;

- (e) the Issuer initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- (f) any security and/or the security interest created or purported to be created under the Charge Over Accounts: (a) ceases to be; or (b) is claimed by the Issuer or any other party not to be in full force and effect (otherwise than in accordance with the Charge Over Accounts).

10.2 CONSEQUENCES OF AN EVENT OF DEFAULT

(a) **Insolvency**

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

(b) **Other Events of Default**

If an Event of Default under paragraphs (a) or (f) of Condition 10.1 occurs, while that Event of Default is continuing the Bonds Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution of the Bondholders shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction in its sole discretion), give notice to the Issuer that the Bonds are, and they shall accordingly forthwith become, immediately due and repayable at their principal amount, together with accrued interest as provided in the Trust Deed, **PROVIDED, HOWEVER, THAT** no remedy (including the giving of notice to the Issuer that the Bonds are immediately due and payable and/or the taking of any steps to enforce the security created under the Charge Over Accounts) shall be exercisable with respect to the Event of Default if: (i) such Event of Default shall have arisen solely as the result of one or more breaches or defaults (including, without limitation, a payment default) under one or more Loans; and (ii) neither the Portfolio Manager nor the Corporate Services Provider shall have consented or contributed (whether in whole or in part) to any such breaches or defaults and shall have taken such commercially reasonable actions as are permitted or required under the Management Agreement, the Administrative Services Agreement and the Limited Guarantee to enforce the rights and remedies of the Issuer under such Loans and the Limited Guarantee with respect to each such breach or default.

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

10.3 INTERPRETATION

For the purposes of this Condition:

“**Administrative Services Agreement**” means the administrative services agreement dated December 10, 2020 entered into between (i) the Issuer and (ii) the Corporate Services Provider;

“**Corporate Services Provider**” means CSCGFM Asia Services (Singapore) Pte. Ltd. as corporate services provider under the Administrative Services Agreement and/or any successor or additional corporate service provider appointed in accordance with the Administrative Services Agreement;

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

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

11. ENFORCEMENT

11.1 ENFORCEMENT BY THE BONDS TRUSTEE AND SECURITY TRUSTEE

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

11.2 LIMITATION ON BONDS TRUSTEE AND SECURITY TRUSTEE ACTIONS

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

11.3 ENFORCEMENT BY THE BONDHOLDERS

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

12. REPLACEMENT OF CERTIFICATES

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

13. NOTICES

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

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

14.1 MEETINGS OF BONDHOLDERS

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

14.2 MODIFICATION, WAIVER, AUTHORISATION AND DETERMINATION

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

14.3 BONDS TRUSTEE TO HAVE REGARD TO INTERESTS OF BONDHOLDERS AS A CLASS

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Bonds Trustee shall have regard to the general interests of the Bondholders as a class but shall not have regard to any interests arising from circumstances particular to individual Bondholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Bondholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Bonds Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer, the Bonds Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders.

14.4 NOTIFICATION TO THE BONDHOLDERS

Any modification, abrogation, waiver, authorisation, determination or substitution shall be binding on the Bondholders and, unless the Bonds Trustee agrees otherwise, any modification or substitution shall be notified by the Issuer to the Bondholders as soon as practicable thereafter in accordance with Condition 13.

14.5 CONSENT OF THE SUBORDINATED INVESTOR. NOTWITHSTANDING ANYTHING IN CONDITIONS 14.1 THROUGH 14.4 (INCLUSIVE) TO THE CONTRARY, NO MODIFICATION OF CONDITION 3.2 (OTHER THAN A CHANGE THAT RE-ORDERS THE RELATIVE PRIORITY OF TWO OR MORE CREDITORS THAT ARE, AND REMAIN, SENIOR TO THE SUBORDINATED INVESTOR UNDER CONDITION 3.2) OR CONDITION 11.1(B)(II) MAY BE MADE WITHOUT THE CONSENT OF THE SUBORDINATED INVESTOR HOLDING MORE THAN FIFTY PERCENT (50%) IN PRINCIPAL AMOUNT OF THE SUBORDINATED DEBT.

15. INDEMNIFICATION AND PROTECTION OF THE BONDS TRUSTEE AND THE SECURITY TRUSTEE AND THEIR CONTRACTING WITH THE ISSUER

15.1 INDEMNIFICATION AND PROTECTION OF THE BONDS TRUSTEE AND THE SECURITY TRUSTEE

The Trust Deed contains provisions for the indemnification of the Bonds Trustee and the Security Trustee and for their relief from responsibility and liability towards the Issuer and the Bondholders, including: (i) provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction; and (ii) provisions limiting or excluding its liability in certain circumstances.

15.2 BONDS TRUSTEE AND SECURITY TRUSTEE CONTRACTING WITH THE ISSUER

The Trust Deed also contains provisions pursuant to which each of the Bonds Trustee and the Security Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions without regard to the interests of, or consequences for, the Bondholders, and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

16. LIMITED RECOURSE AND NON-PETITION

16.1 LIMITED RECOURSE

The rights of recourse of the Bondholders, the Bonds Trustee and the Security Trustee in respect of amounts due to them are limited to the assets of the Issuer.

None of the Bonds Trustee, the Security Trustee, the Portfolio Manager, the Corporate Services Provider or any of their respective affiliates or any other person or entity (other than the Issuer) will be obligated to make payments on the Bonds.

Consequently, holders of the Bonds must rely solely on interest and principal payments on the Loans and payments received under the Limited Guarantee for payments on the Bonds. If interest and principal payments on such Loans and payments received under the Limited Guarantee are insufficient to make payments on the Bonds, no other assets (in particular, no assets of the Portfolio Manager, the Bonds Trustee, the Security Trustee, the Corporate Services Provider or any affiliates of any of the foregoing) will be available for payment of the deficiency, and all obligations of and any remaining claims against the Issuer in respect of the Bonds will be extinguished and will not revive.

16.2 NON-PETITION

No Bondholder nor the Bonds Trustee or the Security Trustee may take any corporate action or other steps or legal proceedings for the winding-up, judicial management, dissolution, arrangement, reconstruction or reorganisation of the Issuer or for the appointment of a liquidator, receiver (including receiver and manager), administrator, trustee, judicial manager or similar officer in respect of the Issuer or over any or all of its assets or undertaking.

However, nothing shall prevent the Security Trustee from appointing a receiver over the Charged Accounts or from lodging a claim in any action or legal proceeding initiated by any person other than the Security Trustee for the winding-up, dissolution or re-organisation of, or for the appointment of a receiver, administrator, administrative receiver, examiner, trustee, liquidator, sequestrator or similar officer of, the Issuer or of any or all of its revenues and assets.

17. GOVERNING LAW AND SUBMISSION TO JURISDICTION

17.1 GOVERNING LAW

The Trust Deed and the Bonds and any non-contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, English law.

17.2 JURISDICTION OF ENGLISH COURTS

The Issuer has, in the Trust Deed, irrevocably agreed for the benefit of the Bonds Trustee, the Security Trustee and the Bondholders that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed or the Bonds (including a dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed or the Bonds) and accordingly has submitted to the exclusive jurisdiction of the English courts.

The Issuer has, in the Trust Deed, waived any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Bonds Trustee, the Security Trustee and the Bondholders may take any suit, action or proceeding arising out of or in connection with the Trust Deed or the Bonds respectively (including any suit, action or proceedings relating to any non-contractual obligations arising out of or in connection with the Trust Deed or the Bonds) (together referred to as “**Proceedings**”) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

17.3 **SOVEREIGN IMMUNITY**

The Issuer has in the Trust Deed irrevocably and unconditionally waived and agreed not to raise with respect to the Trust Deed and the Bonds any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and has irrevocably and unconditionally consented to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

18. **RIGHTS OF THIRD PARTIES**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of a Bond, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

GLOBAL CERTIFICATES

Each Global Certificate contains the following provisions which apply to the Bonds in respect of which they are issued whilst they are represented by the relevant Global Certificate, some of which modify the effect of the Conditions. Terms defined in the Conditions have the same meaning in the following paragraphs. The Bonds sold in offshore transactions in reliance on Regulation S will be represented by one or more global Regulation S certificates in fully registered form (the “Regulation S Global Certificates”). The Bonds sold within the United States to QIBs and QPs will be represented by one or more restricted global certificates in fully registered form (the “Restricted Global Certificates” and together with the Regulation S Global Certificate, the “Global Certificate”).

Exchange

Both Global Certificates will be exchangeable in whole but not in part (free of charge to the holder) for Certificates in definitive form for individual holdings of Bonds only if either Euroclear or Clearstream, Luxembourg (or any alternative clearing system as shall have been designated by the Issuer and notified to the Bonds Trustee on behalf of which the Bonds evidenced by either Global Certificate may be held) is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no alternative clearing system has been designated by the Issuer and notified to the Bonds Trustee.

Payments

Payments of principal and interest in respect of Bonds represented by either Global Certificate will be made against presentation or, if no further payment falls to be made in respect of the Bonds, against presentation and surrender of either Global Certificate to the order of the Registrar or such other Agent as shall have been notified to the holder of both Global Certificate for such purpose.

Distributions of amounts with respect to book-entry interests in either Global Certificate held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the Registrar, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system’s rules and procedures.

A record of each payment made will be endorsed on the appropriate part of the schedule to the relevant Global Certificate by or on behalf of the Registrar and shall be *prima facie* evidence that such payment has been made.

Accountholders

For so long as all of the Bonds are represented by a Global Certificate and the Global Certificate is held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of such Bonds (each an “**Accountholder**”) (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Bonds standing to the account of any person shall, in the absence of manifest error, be conclusive and binding for all purposes) shall be treated as the holder of such principal amount of such Bonds for all purposes (including but not limited to, for the purposes of any quorum requirements of, or the right to demand a poll at, meetings of the Bondholders) other than with respect to the payment of principal and interest on such principal amount of such Bonds, the right to which shall be vested, as against the Issuer and the Bonds Trustee, solely in the nominee for the relevant clearing system (the “Nominee”) in accordance with and subject to its terms and the terms of the Trust Deed. Each Accountholder must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of each payment made to the Nominee.

Notices

Subject to the “Transfer Restrictions and Investor Representations” contained in the Information Memorandum, and for so long as all of the Bonds are represented by a Global Certificate and the Global Certificate is held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Bondholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relevant Accountholders rather than by publication as required by Condition 13. Any such notice shall be deemed to have been given to the

Bondholders on the second day after the day on which such notice is delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) as aforesaid.

Cancellation

Cancellation of any Bond represented by a Global Certificate and required by the Conditions to be cancelled following its redemption or purchase by the Issuer will be effected by reduction in the principal amount of the Bonds in the Register and by annotation (for information purposes only) on the relevant part of the schedule to the relevant Global Certificate.

Transfers

Transfers of interests in the Bonds represented by a Global Certificate shall be made in accordance with the detailed regulations concerning transfers of Bonds set forth in the Agency Agreement.

Transfers of interests in the Bonds represented by a Global Certificate shall be effected through the records of Euroclear and Clearstream, Luxembourg and their respective participants in accordance with the rules of procedures of Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants.

Governing Law

Both Global Certificates and any non-contractual obligations arising out of or in connection with either Global Certificate are governed by, and shall be construed in accordance with, English law.

DESCRIPTION OF CERTAIN MATERIAL AGREEMENTS

LOANS

The proceeds of the issuance of the Bonds will be used in part to extend the Loans to the Borrowers, as summarized in the table below. The Loans will be extended to specific Borrowers subsequent to the closing of the issue of the Bonds, and until such time the amount of each Loan may be reallocated among the Borrowers at the Issuer’s discretion. It is expected that most of the Loans will be entered into immediately after the closing of this issue of the Bonds, however some may require additional approvals and could take up to 90 days to complete. In the event that within 90 days of the closing of the issue of the Bonds any of the Loans is not extended to the Borrowers, any undisbursed proceeds held by the Issuer related to such Loan will be distributed as a prepayment of principal on the following Bonds Payment Date (as defined in the Conditions) to the Bondholders.

A summary of the Loans is presented below:

Borrowers	Currency	Amount of the Loan ⁽¹⁾	Secured
Chamreoun	USD	3,850,000	No
Maxima	USD	1,000,000	No
Evergreen	IDR	2,000,000	Yes
NWTF	USD	2,000,000	No
Katra Phytochem	USD	2,500,000	Yes
Kinara Capital	INR	6,950,000	Yes
One Puhunan	PHP	3,000,000	No
Centrum Microcredit	INR	5,550,000	Yes

(1) We may find it necessary to reallocate the amounts from what has been described above, including reallocation of the loan amounts among the Borrowers set forth above or reallocation of the loan amounts to Borrowers other than those set forth above. See “Use of Proceeds”

The Loans are non-convertible debt instruments. The Loans are unsecured except as indicated in the table above. The Loans are non-guaranteed (other than the Limited Guarantee), with the exception of the Loans to Katra and to Evergreen, which are guaranteed by related parties. The Loans will contain customary provisions, including representations and warranties, reporting obligations, and indemnification protections. In addition, the Loans will contain affirmative and negative covenants that will, *inter alia*, limit each Borrower’s ability to enter into certain business transactions, such as consolidations, mergers and sales of assets, restrict each Borrower’s ability to incur indebtedness, and require each Borrower to maintain certain financial standards during the term of the Loans.

The Loans will be denominated in U.S. dollars, Indonesian rupiah, Philippine pesos and Indian rupees.

The Loans will each have a term of slightly less than four years and will mature approximately 14 days before the Maturity Date.

Initial principal amounts of each Loan and interest thereupon will vary, ranging from principal amounts of US\$1,000,000 to US\$6,950,000 or the equivalent in local currency (in each case, the “**Loan Principal Amount**”) and annual fixed interest rates of 6.00% to 8.00% on the Loans denominated in U.S. dollars and of higher fixed interest rates on the Loans denominated in other currencies (in each case, the “**Base Rate**”). The Issuer will also collect a one-time administrative fee upon disbursement of certain Loans of up to 2.00% of the Loan Principal Amount and will collect a periodic monitoring fee on one of the Loans.

The Base Rate will be calculated on the outstanding Loan Principal Amount of any Loan (which shall include any accrued and unpaid interest) on the basis of a 365-day year (or 366 in a leap year), and payable on a quarterly basis. Interest on any overdue amount shall be charged at a premium of 2.00% to 3.00% above the Base Rate (in each case, the “**Loan Default Rate**”). Should an event of default occur as described in the Loans, the entire outstanding balance of the Loan (including, without limitation, any overdue principal and interest) shall bear interest at the Loan Default Rate until such time as such event of default shall have been cured.

The Loans do not allow prepayment of the Loan Principal Amount without the consent of the Issuer.

The Loans will be governed by English law.

THE LIMITED GUARANTEE

The Issuer shall benefit from a partial guarantee provided by USIDFC of up to 50% of the net losses of principal incurred by the Issuer as a result of non-payment of principal of the Loans, subject to certain qualification, concentration and other requirements, and subject to a maximum guarantee amount (the “**Limited Guarantee**”, a copy of which is set out in Appendix C hereto), which constitutes full faith and credit obligations of the United States.

On October 5, 2018, U.S. President Donald Trump signed the Better Utilization of Investments Leading to Development (BUILD) Act of 2018 which consolidated the Overseas Private Investment Corporation’s and the United States Agency for International Development’s Development Credit Authority (“**DCA**”) to form the U.S. International Development Finance Corporation (“**USIDFC**”). USIDFC partners with the private sector to finance solutions to the most critical challenges facing the developing world today. USIDFC invests across sectors, including energy, healthcare, critical infrastructure, and technology. USIDFC also provides financing for small businesses and women entrepreneurs in order to create jobs in emerging markets. USIDFC supports development in emerging markets through direct equity, debt financing (direct loans and credit guarantees), political risk insurance coverage, and technical assistance. USIDFC investments adhere to high standards and respect the environment, human rights, and worker rights. See Appendix B for further details.

Pursuant to the terms of the Limited Guarantee, USIDFC will reimburse up to 50% of the Issuer’s net losses of principal resulting from the non-payment of principal due under certain qualifying loans, as described in the Limited Guarantee (the “**Qualifying Loans**”). The Issuer will be responsible for certifying that each Loan qualifies as a Qualifying Loan and ensuring the Qualifying Loan is placed under coverage of the Limited Guarantee (“**Coverage**”). USIDFC may remove any Qualifying Loan from Coverage should it determine that such Qualifying Loan does not meet relevant qualification criteria as described in the Limited Guarantee. The Issuer may remove any Qualifying Loan from Coverage at any time and for any reason. Removal of any Qualifying Loan from Coverage is final, and no Loan that is removed from Coverage may be placed again under Coverage. USIDFC will not reimburse any losses that are the result of gross negligence, fraud or misrepresentation by the Issuer or the Portfolio Manager, or if the Issuer, the Portfolio Manager, or any of their respective officers, directors, owners, partners, agents, employees, project managers or other persons with primary management, administration or supervisory responsibilities, or affiliates that have decision making authority, is convicted of a narcotics offense or was engaged in drug trafficking, or is found to be in violation of applicable anti-corruption laws, and in such cases reimbursements already made by USIDFC may be required to be refunded to USIDFC by the Issuer.

The Issuer shall reimburse USIDFC a pro rata portion of any recoveries made with respect to a defaulted Loan with respect to which USIDFC has made a payment under the Limited Guarantee. In the event the Issuer submits a claim to USIDFC in accordance with the Limited Guarantee and that claim is paid, the Issuer is required to pursue all reasonable collection efforts against the defaulting Borrower for so long as commercially reasonable and in accordance with the Issuer’s standard collections procedures and policies. If the Issuer receives or recovers any funds relating to or in satisfaction of amounts owed by any defaulting Borrower under a Qualifying Loan, whether received or recovered directly from the Borrower, another guarantor, a collateral agent or any other party, the Issuer shall reimburse USIDFC on a *pro rata* basis after deducting reasonable and documented expenses actually incurred in its collection efforts. Under the Limited Guarantee, USIDFC reserves the right to charge interest on overdue recovery payments, as described above, at a rate of 1.0% per month.

USIDFC will charge the Issuer an origination fee of US\$105,000, payable prior to any Loan being placed under Coverage, and in any event within 90 days of the date of the Limited Guarantee. USIDFC will also charge the Issuer a utilization fee of 0.50% per annum on the average outstanding principal amount of all Qualifying Loans, which utilization fee will be calculated, billed and payable semi-annually. Additional special purpose vehicles have been established which may issue one or more separate bonds, the proceeds of which are expected to be used to make qualifying loans that would also benefit from the Limited Guarantee, subject to a separate maximum portfolio amount for each such special purpose vehicle.

The maximum amount payable by USIDFC under the Limited Guarantee with respect to Loans made with the proceeds of the Bonds offered hereby is US\$13,425,000, and USIDFC's payment obligation under the Limited Guarantee expires on September 30, 2029, although claims for Loan payment defaults occurring on or prior to that date may be submitted up to 180 days following such date. The fees charged by USIDFC for the provision of the Limited Guarantee are subsidized by USAID.

A guarantee default for the Bonds will arise in the event the Limited Guarantee with respect to any funded Loan is suspended, terminated or cancelled (in each case, whether in whole or in part) for any reason, or the maximum amount payable by USIDFC under the Limited Guarantee is less than 50% of the outstanding principal amount of the Loans.

Investors should refer to the form of the Limited Guarantee set out in Appendix C to this Information Memorandum and the Consents under the Loan Portfolio Guarantee Agreement set out in Appendix D to this Information Memorandum for further details of the terms and conditions of the Limited Guarantee.

THE MANAGEMENT AGREEMENT

See "Description of the Portfolio Manager and Other Parties – The Management Agreement" below.

THE TRUST DEED AND THE CHARGE OVER ACCOUNTS

See "Terms and Conditions of the Bonds" above.

THE SUBORDINATED INDEBTEDNESS

The Subordinated Indebtedness is indebtedness of the Issuer in the principal amount of US\$3,000,000 (as such principal amount may be increased pursuant to the terms thereof) to be incurred pursuant to one or more promissory notes in such aggregate principal amount to be dated December 4, 2020, payable to the Subordinated Investor. The Subordinated Indebtedness is secured by the Charge Over Accounts between the Issuer and the Security Trustee. Such promissory notes are governed by New York law. Interest is payable on such notes at the rate of 8.00% per annum in arrears on each Bond Payment Date, and is capitalized semi-annually if not paid currently. The Subordinated Indebtedness matures on the Maturity Date. Such notes are subject and subordinate to the Bonds, and are payable as and when provided pursuant to a certain Subordination Agreement dated on or about the Closing Date, by and among the Issuer, the Security Trustee, the Bonds Trustee and the Subordinated Investor (the "Subordination Agreement"). The notes provide that, to the extent provided for in the Subordination Agreement, the Subordinated Investor has no right to exercise default remedies until the Bonds shall have been paid in cash and in full, and no right to petition for or vote for the commencement or continuation of any bankruptcy or insolvency proceeding pertinent to the Issuer. The notes further provide that, to the extent provided for in the Subordination Agreement, any claim against or dividend in bankruptcy payable by the bankruptcy estate of the noteholders is subject to release if and only if the Bonds shall have been paid in cash and in full. The notes further provide that, to the extent provided for in the Subordination Agreement, the Subordinated Investor waives irrevocably any right to question the legality, enforceability or priority of payment of the Bonds.

As the Subordinated Indebtedness is unlikely to qualify as "qualifying debt securities" in Singapore, interest paid on the Subordinated Indebtedness would ordinarily be subject to withholding tax if such payments are made to a person not known to be a resident in Singapore for tax purposes. The withholding tax implications are more particularly described in the section "Singapore Taxation". If any deduction or withholding for any tax is required in respect of any amounts to be paid by the Issuer, such amounts paid by the Issuer shall be paid net of such deduction or withholding for tax. For the avoidance of doubt, the Issuer will not pay any additional amounts as may be necessary in order that the net amounts received by the Subordinated Investor after such deduction or withholding will equal the amounts that would have been received in the absence of such deduction or withholding. See "*Risk Factors — Risks Related to the Bonds — Risks Related to Taxation.*"

The Subordinated Investor is the IIX Women's Catalyst Fund, L.P., a Cayman Islands exempted limited partnership formed and registered on 23 September 2020. The Portfolio Manager or an affiliate will provide investment advice to the Subordinated Investor pursuant to a management agreement. As of the date hereof, the Portfolio Manager is the beneficial owner of 100% of the equity interests in the Subordinated Investor. The Subordinated Investor will fund

the Subordinated Indebtedness with the proceeds of a term loan provided to it by the International Cooperation and Development Fund, an entity established under the laws of the Republic of China.

DESCRIPTION OF THE PORTFOLIO MANAGER AND OTHER PARTIES

The information relating to the Portfolio Manager contained in this section headed “Description of the Portfolio Manager and other parties” has been provided by the Portfolio Manager. To the best of the knowledge and belief of the Portfolio Manager, this information is in accordance with the facts and does not omit anything likely to affect the import of such information.

THE PORTFOLIO MANAGER

OVERVIEW

The Portfolio Manager will perform certain management functions with respect to the Loans for the Issuer in accordance with the Management Agreement. The Portfolio Manager was founded on March 26, 2009 as a private limited company incorporated and registered in Singapore, registration number 200905347D. The Portfolio Manager’s registered office is at 16 Collyer Quay, #11-01, Income at Raffles, Singapore 049318.

The Portfolio Manager’s mission is to build a more inclusive world by changing financial systems and innovating solutions for women’s empowerment, climate action, and community resilience. It operates various platforms to assist impact enterprises — for-profit and not-for-profit entities with social missions in sectors such as agriculture, clean technology, renewable energy, education, healthcare and microfinance—with raising investment capital across various phases of their life cycle. Some of the Portfolio Manager’s platforms include:

- (i) *Women’s Bonds*, innovative financial mechanisms that mobilize large-scale capital for gender lens investments. IIX’s first Women’s Bond was the US\$8 million 5.65% Women’s Livelihood Bond due 2021 issued by WLB Asset Pte. Ltd. In July 2017 (the “**WLB1 Bond**”), a listed debt security that funded a group of microfinance institutions and impact enterprises to empower over 385,000 women across Southeast Asia to transition to sustainable livelihoods. IIX is currently acting as portfolio manager for the WLB1 Bond, and the US\$10.5 million 4.00% Women’s Livelihood Bonds due 2024, issued by WLB Asset II Pte. Ltd. in January 2020 (the “**WLB2 Bond**”).
- (ii) *Impact Partners*, a private, online platform that connects impact investors with a select group of pre-screened impact enterprises seeking investment capital. As of September 30, 2020, the Portfolio Manager has facilitated investments of approximately US\$152 million across over 56 deals in Asia.

THE MANAGEMENT AGREEMENT

The Portfolio Manager will enter into a Management Agreement with the Issuer.

Pursuant to the Management Agreement, the Issuer will appoint the Portfolio Manager to act as its agent and provide certain services in relation to the management of the Loans. The Issuer may delegate to the Portfolio Manager the exercise of some or all of its rights, powers and discretions in relation to the Loans.

The Portfolio Manager will be responsible for (i) selecting and evaluating potential Borrowers, including overseeing due diligence and credit review processes, (ii) negotiating terms and conditions of the Loans on behalf of the Issuer, (iii) monitoring Borrowers’ compliance with their obligations under the Loans, including taking appropriate actions or initiating enforcement actions on behalf of the Issuer as necessary, (iv) preparing reports on behalf of the Issuer for Bondholders and for any exchange on which the Bonds may be listed, and (v) managing all reporting, monitoring and compliance obligations of the Issuer under the terms of the Limited Guarantee. The Portfolio Manager may at its own cost and expense, sub-contract the performance of some (but not all) of its obligations under the Management Agreement to any eligible person or entity as set out in the Management Agreement, including the Corporate Services Provider. The Issuer will pay the Portfolio Manager (i) a one-time structuring fee of 1.00% of the aggregate amount of capital raised through the sale of the Bonds and the Subordinated Indebtedness, (ii) a one-time contingent fee of up to US\$50,000 to the extent funds are received from the Monetary Authority of Singapore with respect to the Asian Bond Grant Scheme, (iii) annual fees of 0.75% of the aggregate amount of capital raised through the sale of the Bonds and the Subordinated Indebtedness, comprised of: (a) an administrative fee of 0.25% of such amount, (b) a financial monitoring fee of 0.25% of such amount, and (c) an impact monitoring fee of 0.25% of such amount (collectively, the “**Annual Fees**”). The Issuer will pay the Annual Fees to the Portfolio Manager on a quarterly basis, in arrears and on

a prorated basis, until the Bonds are redeemed. The Portfolio Manager may use all or a portion of the Annual Fees to pay any third parties to which it delegates its obligations to perform services under the Management Agreement. The Issuer shall also reimburse the Portfolio Manager, upon presentation of proper expense statements, for all ordinary and necessary out-of-pocket expenses reasonably incurred by it in connection with the establishment of the Issuer, the issuance of the Bonds and for the performance of the services under the Management Agreement. Any surplus funds remaining in the Accounts after the Issuer has fulfilled all of its payment obligations upon maturity of the Bonds and the Subordinated Indebtedness will be paid to the Portfolio Manager as a deferred performance fee.

THE ADMINISTRATION AGREEMENT

The Issuer has appointed the CSCGFM Asia Services (Singapore) Pte. Ltd. (the “**Corporate Services Provider**”) to be responsible for administering payments by the Borrowers to the Issuer under the Loans and performing certain other administrative services for the Issuer. On October 22, 2020, the Issuer entered into an Administration Agreement with the Corporate Services Provider for the performance of, *inter alia*, the following services: (i) the calculation of interest and principal payments to be made by the Borrowers to the Issuer; (ii) administering payments by the Borrowers to the Issuer under the Loans and; (iii) performing certain other administrative services for the Issuer, such as bank account and cash management.

THE SELECTION AND INVESTMENT PROCESS

The Portfolio Manager uses a systematic approach to credit selection and portfolio management in accordance with the Portfolio Manager’s credit policy and procedures. The Portfolio Manager adheres to a formal credit policy that defines, *inter alia*, applicable lending criteria, portfolio limits, approval procedures, control systems, monitoring and compliance.

In selecting the Borrowers for the Loans, the Portfolio Manager has undertaken the following selection and investment process and obtained the approval of its investment committee for this transaction (the “**Investment Committee**”) (details of which are set out herein) at each of the following three stages:

Pre-Screening

The Portfolio Manager started by identifying potential borrowers that are able to meet certain preliminary criteria that will allow payment of reasonable risk-adjusted returns to investors as well as create significant positive impact. The Portfolio Manager tapped its existing databases and partner networks to identify potential borrowers and compiled information on potential borrowers using both public and private information. Both qualitative and quantitative criteria were used to analyse the potential borrowers, which include, *inter alia*:

- *Country-level considerations* such as country outlook, sector regulation, local market potential and currency volatility;
- *Financial criteria* such as profitability, leverage, key shareholders or funding partners, and portfolio quality; and
- *Social criteria* such as social mission, proportion of women beneficiaries, and impact on women’s livelihoods.

The Portfolio Manager then contacted the preliminary shortlisted entities to gauge interest. Entities that were interested to move forward with the due diligence process signed a memorandum of understanding stating their intent to be a part of the transaction. Based on the preliminary information and the signed memorandum of understanding, the Investment Committee reviewed information related to each potential borrower and authorized the Portfolio Manager to undertake due diligence.

Due Diligence

The Portfolio Manager prepared and sent pre-due diligence questionnaires to the potential borrowers ahead of due diligence meetings conducted telephonically and through video conference. Virtual site visits and beneficiary

interviews conducted via video conference and digital surveys supplemented the meetings to view the borrowers' operations and to validate the information provided. Based on the information gathered during the meetings, and the virtual site visits, and the virtual beneficiary interviews, the Portfolio Manager conducted a deeper review of each of the potential borrowers, including analyzing each of the potential borrowers' financial position and capacity to repay the proposed loan. The Portfolio Manager also conducted an analysis of each of the potential borrowers' social impact. Credit write-ups on shortlisted borrowers were prepared and presented to the Investment Committee for review along with analyses of the portfolio composition and a recommendation to include or exclude each borrower in the transaction.

Documentation

Upon approval from the Investment Committee, a formal loan financing proposal was sent to each of the borrowers outlining the contemplated terms and conditions of the proposed Loan. The Investment Committee has reviewed the final terms under which the Loans are proposed to be issued. The Loans are expected to be finalized and executed promptly following the issuance of the Bonds. The Portfolio Manager will confirm the fulfillment of any conditions precedent prior to the disbursement of the Loans.

THE INVESTMENT COMMITTEE

Information regarding the background and experience of the members of the Investment Committee is set out below.

Durreen Shahnaz is the Founder, CEO and Chairwoman of the board of the Portfolio Manager and the Managing Director of IIX Global Charitable Limited. In a career spanning over three decades, Durreen has worked as a banker, media executive, academic, and social entrepreneur with stints at Morgan Stanley, Merrill Lynch, Grameen Bank, International Finance Corporation, Hearst Magazines International, Readers Digest and Asia City Publishing. She also founded, ran and sold oneNest, a social enterprise and global marketplace for handmade goods. Durreen founded the Program for Social Innovation and Change at the Lee Kuan Yew School of Public Policy, National University of Singapore and was an Adjunct Associate Professor. Durreen received the 2017 Oslo Business for Peace Award, often referred to as the "Noble Peace Prize for Business," and was awarded the 2016 Asia Game Changer Award by the Asia Society, in addition to the prestigious Joseph Wharton Social Impact Award in 2014 given by the Wharton School of University of Pennsylvania. Additionally, she currently serves on the advisory board for UNDP, United Nations ESCAP, G20 Steering Committee for Impact Investing, and was also an appointed member of the World Economic Forum's Global Agenda Council. She has been a program advisor to the Clinton Global Initiative and a 2010 TED fellow. Durreen holds a BA from Smith College and a joint MBA from the Wharton School at the University of Pennsylvania and MA from the School for Advanced International Studies at Johns Hopkins University. Durreen is the wife of Robert Kraybill.

Robert Kraybill is Managing Director, Portfolio Management, Chief Investment Officer, and a member of the board of the Portfolio Manager and Treasurer and a member of the Board of IIX Global Charitable Limited. Prior to joining the impact investing movement, Robert spent nearly 20 years in the traditional capital markets as an advisor and investor, most recently as head of private finance in Asia for Marathon Asset Management until 2008. Before joining Marathon Asset Management, Robert was head of investment banking, Asia ex-Japan, for Dresdner Kleinwort Wasserstein. Robert began his career at Morgan Stanley, Credit Suisse and Wasserstein Perella. In addition to his work at the Portfolio Manager and IIX Global Charitable Limited, Robert has been a member of Singapore's 'President's Challenge Social Enterprise Awards' Committee. He also acts as Senior Advisor to Asian Tiger Capital, an innovative financial services firm in Bangladesh offering research, advisory and asset management services. Robert holds a B.A. *magna cum laude* from Princeton University, and a J.D. *summa cum laude* from the University of Pennsylvania Carey Law School. Robert is the husband of Durreen Shahnaz.

Kalpana Raina is Managing Partner of 252 Solutions, LLC, an advisory firm that specializes in strategic development and implementation. Kalpana's current focus is the Social Enterprise sector in Asia with co-investments in selected transactions. A banker for twenty years, Kalpana has considerable industry experience in both traditional and digital media, information and entertainment services, telecommunications and the financial services industry. Kalpana was previously Executive Vice President and Head of European Country Management and Corporate Banking at The Bank of New York. Kalpana's board tenures have all involved dynamic strategic shifts to new technologies, content creation and delivery systems, as old business models have been disrupted. Kalpana holds director positions at John Wiley &

Son, Yellow Pages Limited, Information Services Group Inc., The World Policy Institute (WPI) and STA Consulting. Kalpana is also currently a member of the International Advisory Board of ODX, Women Corporate Directors and The National Association of Corporate Directors. Kalpana holds a B.A. degree Honors degree from the Panjab University, India and an M.A. degree in English Literature from McMaster University. Kalpana is currently a member of IIX's advisory board and a director of IIX Foundation USA. Kalpana joined the Investment Committee in April 2019.

David K. Musto is the Ronald O. Perelman Professor in Finance and faculty director of the Stevens Center for Innovation in Finance at the Wharton School at the University of Pennsylvania, where he has been on the faculty since 1995. David served as Senior Financial Economist at the Securities Exchange Commission from 2005 to 2007, and is on the advisory board of Human Interest. David has a B.A. from Yale University and a Ph.D. from the University of Chicago, and between college and graduate school David worked for Roll and Ross Asset Management in Culver City, CA. Most of David's work, both theoretical and empirical, is in the area of consumer financial services, mutual funds and consumer credit in particular. David has also published work on corporate and political voting, option pricing, short selling, and cross-border taxation. David is currently a member of IIX's advisory board and joined the Investment Committee in April 2019.

Muhit U. Rahman is co-founder and Partner of LWPartners Capital Group, LLC. Prior to this, Muhit served as a Principal at Arcade Partners LLC which he co-founded in November 2003. From November 1993 to 2009, Muhit served as a Managing Director at Washington & Congress Managers and was responsible for negotiating, monitoring and exiting numerous transactions. Muhit also served as a Co-Head of Corporate Finance at Dabney, Resnick & Wagner, Inc. from 1990 to 1993 and served as Vice President in the corporate finance and high yield bond departments at Drexel Burnham Lambert (now New Street Capital Corporation) from 1987 to 1990. Earlier, before his career in finance, Muhit was an Engineering Manager at M/A-Com PHI, Inc. He is also co-founder of several companies including KapStone Paper & Packaging Corporation, where he served as director from April 15, 2005 to May 27, 2010. Muhit received a B.S., *summa cum laude*, Phi Beta Kappa from Yale University and an M.B.A. from the Anderson School of Management at the University of California at Los Angeles. Muhit is currently a member of IIX's advisory board and joined the Investment Committee in April 2019.

FOREIGN EXCHANGE HEDGING ARRANGEMENTS

The following section consists of a summary of certain provisions which are expected to be contained in each Hedging Agreement (as defined below). Such summary does not purport to be complete and is qualified by reference to the detailed provisions of each Hedging Agreement. The terms of a Hedging Agreement may differ from the description provided herein.

FOREIGN EXCHANGE HEDGE AGREEMENTS

The Issuer will enter into one or more foreign exchange hedging arrangements (each a “**Hedging Agreement**”) with MFX Solutions, Inc. or other financial institution of international standing that, at the time of entry into a Hedging Agreement, has a long term debt rating of no lower than “Baa3” by Moody’s, “BBB-” by S&P Global Ratings and “BBB-” by Fitch Ratings Ltd. (or, in each case, any affiliate or successor thereof) (a “**Hedging Counterparty**”). Each Hedging Agreement will be used by the Issuer to reduce its exposure to exchange rate risks relating to non-USD Loans.

The Issuer is expected to enter into a separate Hedging Agreement for each non-USD Loan, on or about the time the non-USD Loan is made.

The Issuer will enter into a fee arrangement with MFX pursuant to which the Issuer will be obligated to deposit with MFX an amount based on a specified percentage of the notional amount of outstanding Hedging Agreements.

Payments Under the Hedging Agreements

Pursuant to each Hedging Agreement to be entered into, it is expected that the Issuer will receive defined amounts in USD in exchange for the USD equivalent (at the time of settlement) of defined amounts in the relevant local currency (a so-called “non-deliverable” settlement). Specifically, on a quarterly basis, the Hedging Counterparty will be obligated to pay to the Issuer a fixed rate payment on a specified USD notional amount at a fixed rate and the Issuer will be obligated to pay to the Hedging Counterparty the USD equivalent of a fixed rate payment on a specified foreign currency amount corresponding to the relevant non-USD Loan at a fixed rate. In addition, upon termination of the Hedging Agreement, the Hedging Counterparty will be obligated to pay the Issuer the specified USD notional amount and the Issuer will be obligated to pay to the Hedging Counterparty the USD equivalent of the specified local currency notional amount. These USD payments will be exchanged on a net basis under the Hedging Agreement.

It is expected that the Hedging Agreement will be structured so that the Issuer’s payment obligations under the Hedging Agreement will generally match the amounts and timing of payments it expects to receive under the relevant non-USD Loan.

The USD equivalent of the relevant local currency amounts will be determined as of a defined valuation date preceding each payment date under the Hedging Agreement, using a published reference exchange rate between USD and the local currency. The Hedging Agreement specifies certain fallbacks that may apply if the relevant USD/local currency exchange rate is not available on the relevant date or certain other disruptions occur. These fallbacks may result in use of an alternate price source, postponement of the relevant valuation date (for up to a maximum period), which will result in a postponement of settlement payments under the Hedging Agreement, and/or determination of the relevant rate by the Hedging Counterparty as calculation agent.

EARLY TERMINATION

Each Hedging Agreement will be subject to early termination under certain circumstances.

Defaults Under the Hedging Agreements

Events of default under the Hedging Agreements will include among other things: (i) the failure to make payments under the Hedging Agreements, (ii) the occurrence of certain bankruptcy or insolvency events of the Issuer or the Hedging Counterparty, and (iii) certain other standard events of default including misrepresentation, breach of

covenant, default by the Issuer or Hedging Counterparty under other debt, or merger by the Issuer or Hedging Counterparty without assumption of its obligations under the Hedging Agreement.

Termination Events Under the Hedging Agreements

Termination Events under the Hedging Agreements will include, among other things: (i) the Issuer being rated “uncreditworthy” by MicroRate, Luminis or Microfinanza, (ii) the early termination of the underlying non-USD Loan, (iii) the termination of certain hedging arrangements of the Hedging Counterparty, (iv) breach by the Issuer of certain obligations with regard to the related non-USD Loans, and (iv) certain other standard termination events including the illegality of the transactions contemplated by the Hedging Agreement and merger or consolidation of the Issuer or the Hedging Counterparty with or into an entity with a materially weaker creditworthiness.

Early Termination of the Hedging Agreements

Upon the occurrence of any event of default or termination event specified in the Hedging Agreement, the non-defaulting or non-affected party may elect to terminate the Hedging Agreement. In that case, a termination payment (a “**Hedge Termination Payment**”) will be owed by either the Issuer or the Hedging Counterparty to the other based on the mark-to-market or replacement value of the Hedging Agreement at the time. The Issuer also may enter into a replacement Hedging Agreement. Any cost attributable to entering into a replacement Hedging Agreement that exceeds the amount of any termination payment due under the terminated Hedging Agreement will be borne by the Issuer. In such case, the amount available to make payments to Holders of the Notes may be reduced.

TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS

GENERAL

The distribution of this Information Memorandum or any offering material and the offering, sale or delivery of the Bonds is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Information Memorandum or any offering material are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Information Memorandum may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorized. No action has been or will be taken in any jurisdiction by the Issuer that would permit a public offering of the Bonds, or possession or distribution of this Information Memorandum or any other offering or publicity material relating to the Bonds (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. Accordingly, the Bonds may not be offered or sold, directly or indirectly, and neither this Information Memorandum nor any other offering material or advertisements in connection with the Bonds may be distributed or published in or from any country or jurisdiction, except in circumstances which will result in compliance with all applicable rules and regulations of any such country or jurisdiction and will not impose any obligations on the Issuer.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Placement Agents or any affiliate of the Placement Agents is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Placement Agent or its affiliate on behalf of the Issuer in such jurisdiction.

The Placement Agents and their affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. The Placement Agents may have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its subsidiaries, jointly controlled entities or associated companies and may be paid fees and expenses in connection with such services from time to time. In the ordinary course of their various business activities, the Placement Agents and their affiliates may make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuer or its subsidiaries, jointly controlled entities or associated companies, including the Bonds, may be entered into at the same time or proximate to offers and sales of the Bonds or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of the Bonds. The Bonds may be purchased by or be allocated to any Placement Agent or an affiliate for asset management and/or proprietary purposes whether or not with a view to later distribution. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS

Each of the Placement Agents has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the EEA or in the United Kingdom. For the purposes of this provision, the expression “**retail investor**” means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (b) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

UNITED KINGDOM

Each of the Placement Agents has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom

SINGAPORE

This Information Memorandum has not been registered as a prospectus in Singapore with the Monetary Authority of Singapore (the “MAS”). Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, may not be circulated or distributed, nor may the Bonds be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A(1)(a) of the SFA read with Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) (as defined in Section 4A(1)(a) of the SFA read with Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore)) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Bonds pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Notification under Section 309B(1)(c) of the SFA: In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA), that the Bonds are (A) prescribed capital markets products (as defined in the CMP Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Any reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the Securities and Futures Act or any provision in the Securities and Futures Act is a reference to that term as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

UNITED STATES

The Bonds have not been, and will not be, registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. In addition, the Issuer has not registered, and does not intend to register, as an investment company under the Investment Company Act, in reliance on the exemption set forth in Section 3(c)(7). Accordingly, the Bonds are being offered and sold only (1) in the United States to persons who are both “qualified institutional buyers” in reliance on Rule 144A and “qualified purchasers” in accordance with the Investment Company Act and (2) outside the United States to non-U.S. persons (within the meaning of Regulation S) in offshore transactions in reliance on Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each purchaser of any of the Bonds will be required to make the following acknowledgements, representations to and agreements with the Transfer Agent and the Issuer in accordance with the instructions set forth in the form of the “U.S. Purchaser Letter” attached as Appendix E hereto and execute and deliver such U.S. Purchaser Letter to the Issuer and the Transfer Agent:

- (1) The purchaser is not an affiliate (as defined in Rule 144A under the Securities Act) of the Issuer or the Guarantor.
- (2) The Bonds have not been registered under the Securities Act, or the securities laws of any state of the United States and, unless registered under the Securities Act, may not be offered, sold or otherwise transferred unless exemptions from registration under the Securities Act and applicable state and other securities laws are available.
- (3) The Issuer has not been and will not be registered as an investment company under the Investment Company Act, in reliance on the exemption set forth in Section 3(c)(7) thereof.
- (4) The purchaser is:
 - a. both a “qualified institutional buyer” as defined in Rule 144A and a “qualified purchaser” as defined in Section 2(a)(51) of the Investment Company Act, in each case who is aware that the sale to it is being made in reliance on Rule 144A and Section 3(c)(7) of the Investment Company Act and who is acquiring the Bonds for its own account or for the account of a person who is both such a QIB/QP; or
 - b. not a U.S. Person and is acquiring the Bonds in an offshore transaction outside the United States complying with the provisions of Regulation S.
- (5) Each purchaser of any Bonds understands that the Bonds are being offered only in a transaction not involving any public offering within the meaning of the Securities Act and that unless otherwise agreed by the Issuer, (a) if it should offer, resell, pledge or otherwise transfer the Bonds, the Bonds may be offered, resold, pledged or transferred, only (i) to the Issuer or its affiliates, (ii) for so long as the securities are eligible for resale pursuant to Rule 144A, in the United States to a person whom the seller reasonably believes is (A) a Qualified Institutional Buyer as defined in Rule 144A and to whom notice is given that the offer, resale, pledge or transfer is being made in reliance on Rule 144A and (B) a Qualified Purchaser or otherwise in circumstances that would not prejudice the Issuer’s exemption from registration as an investment company pursuant to Section 3(c)(7), (iii) outside the United States pursuant to offers and sales to purchasers who are not U.S. Persons in an offshore transaction meeting the requirements of Regulation S, (iv) pursuant to another available exemption from registration under the Securities Act and, to the extent then applicable to the Issuer, in a manner consistent with the Issuer’s exemption from the Investment Company Act, or (v) pursuant to a registration statement that has been declared effective under the

Securities Act and, to the extent then applicable to the Issuer, the Investment Company Act, subject to the Issuer's, Bonds Trustee's, Security Trustee's, Registrar's or Transfer Agent's right prior to any such reoffer, sale or transfer (x) in the case of clause (iv), to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them, and (y) in each of the foregoing cases, to require that a certificate of transfer in the form set forth in the Trust Deed is completed and delivered by the transferor to the Bonds Trustee; and (b) each subsequent purchaser of the Bonds is required to notify any purchaser of any Bonds of the resale restrictions referred to in (a) above and to deliver to the transferee prior to sale a copy of these transfer restrictions herein set forth (further copies of which may be obtained from the Issuer or Transfer Agent). The purchaser understands that transfers of the Bonds will be registered only if the Bonds are transferred in accordance with such transfer restrictions.

- (6) in the case of a transfer of the Bonds pursuant to Items (5)(ii) – (iv) above;
- a. each purchaser agrees to provide notice of the transfer restrictions applicable to the Bonds to the counterparty and any executing broker (and any other agent of the transferor involved in such resale) and to direct compliance therewith;
 - b. each purchaser agrees to deliver to the Issuer, prior to settlement of any such transfer, an exit letter signed by the transferor stating that the Bonds were sold in accordance with Items 5(ii) – (iv) above, whichever is applicable.
- (7) Each purchaser:
- a. is not a broker-dealer that owns and invests on a discretionary basis less than \$25 million in securities of unaffiliated issuers;
 - b. is not, and for so long as it holds the Bonds will not be, an employee benefit plan as defined in Section 3(3) of ERISA that is subject to Title I of ERISA, a plan within the meaning of Section 4975 of the Code to which Section 4975 applies or an entity whose underlying assets are deemed to include “plan assets” under Department of Labor regulation 2510.3-101, as modified by Section 3(42) of ERISA;
 - c. is not, and for so long it holds the Bonds will not be, a government plan, foreign plan, church plan or other plan subject to law that is substantially similar to Section 406 of ERISA, or Section 4975 of the Code (“**Similar Law**”);
 - d. is not a participant-directed employee plan, such as a 401(k) plan, as referred to in paragraph (a)(1)(i)(D) or (a)(1)(i)(E) of Rule 144A, or a trust fund referred to in paragraph (a)(1)(i)(F) of Rule 144A that holds the assets of such a plan;
 - e. if the purchaser is a Section 3(c)(1) or Section 3(c)(7) investment company, or a Section 7(d) foreign investment company relying on Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act with respect to its U.S. holders and was formed on or before April 30, 1996, it has received the necessary consent from your beneficial owners as required by the Investment Company Act; and
 - f. will hold and transfer at least the minimum denomination of Bonds and will not sell participation interests in any Bonds;
- (8) Each purchaser was not formed for the purpose of investing in the Issuer except where the beneficial owners of the purchaser are QIB/QPs;
- (9) Each purchaser acknowledges that the Issuer may receive a list of participants holding positions in the Bonds from one or more book-entry depositories;
- (10) Each will not transfer the Bonds or beneficial interests therein except to a transferee who meets the requirements described under this heading “Transfer Restrictions and Investor Restrictions—United States” and agrees not to subsequently transfer the Bonds or any beneficial interest therein except in

accordance with the restrictions;

- (11) Each purchaser is not investing and will not invest 40% or more of your total assets in the Bonds;
- (12) A purchaser's shareholders, partners or other holders of equity or beneficial interests are not able to decide individually whether or not to participate, or to determine the extent of their participation, in the purchaser's investment in the Issuer, and the purchaser is not a defined contribution or other similar benefit plan that allows participants to determine whether or how much will be invested in investments on their behalf;
- (13) Each purchaser of any Bonds who is a QIB/QP in the United States understands that such Bonds, unless otherwise agreed by the Issuer in compliance with applicable law, will bear a legend to the following effect:

THIS BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION AND WLB ASSET II B PTE. LTD. (THE "ISSUER") HAS NOT REGISTERED AND DOES NOT INTEND TO REGISTER AS AN INVESTMENT COMPANY UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"), IN RELIANCE ON THE EXCLUSION FROM THE DEFINITION OF INVESTMENT COMPANY PROVIDED BY SECTION 3(C)(7) OF THE INVESTMENT COMPANY ACT. THIS BOND OR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO A "U.S. PERSON" (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT AND WITHIN THE MEANING OF THE INVESTMENT COMPANY ACT), WHO IS BOTH A "QUALIFIED INSTITUTIONAL BUYER" WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") AND A "QUALIFIED PURCHASER" (WITHIN THE MEANING OF SECTION 2(A)(51) OF THE INVESTMENT COMPANY ACT), ACTING FOR ITS OWN ACCOUNT OR THE ACCOUNT OF ANOTHER PERSON WHO IS BOTH A QUALIFIED INSTITUTIONAL BUYER AND A QUALIFIED PURCHASER WITH RESPECT TO WHICH IT EXERCISES SOLE INVESTMENT DISCRETION, IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR THE UNITED STATES AND ANY OTHER RELEVANT JURISDICTION.

BY ITS ACQUISITION HEREOF, THE HOLDER OF THIS BOND REPRESENTS THAT: (A) (1) IT IS A U.S. PERSON AS DEFINED UNDER REGULATIONS OF THE SECURITIES ACT AND WITHIN THE MEANING OF THE INVESTMENT COMPANY ACT AND IS BOTH A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A) AND A QUALIFIED PURCHASER UNDER THE INVESTMENT COMPANY ACT, (2) IT IS NOT AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), THAT IS SUBJECT TO TITLE I OF ERISA, A "PLAN" WITHIN THE MEANING OF SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), TO WHICH SECTION 4975 OF THE CODE APPLIES, AN ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED TO INCLUDE "PLAN ASSETS" UNDER DEPARTMENT OF LABOR REGULATION 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR") OR A GOVERNMENTAL, NON-U.S. OR OTHER EMPLOYEE BENEFIT PLAN WHICH IS SUBJECT TO ANY U.S. FEDERAL, STATE OR LOCAL LAW, OR NON-U.S. LAW, THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), (3) IT UNDERSTANDS THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THE BONDS FROM ONE OR MORE BOOK-ENTRY DEPOSITORIES, (4) IT WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS APPLICABLE TO THE BONDS TO ANY SUBSEQUENT TRANSFERREES, AND (5) IT AND EACH ACCOUNT FOR WHICH IT IS PURCHASING WILL HOLD AND TRANSFER AT LEAST THE MINIMUM DENOMINATION OF BONDS OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN "OFFSHORE TRANSACTION" PURSUANT TO RULE 903 OR RULE 904 OF REGULATIONS UNDER THE SECURITIES ACT.

THE HOLDER OF THIS BOND AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED THE BONDS, TO OFFER, SELL OR OTHERWISE TRANSFER THESE BONDS ONLY (1) TO THE ISSUER, (2) IF TO A U.S. PERSON OR IN THE UNITED STATES TO A PERSON IT REASONABLY BELIEVES IS BOTH A “QUALIFIED INSTITUTIONAL BUYER” WITHIN THE MEANING OF RULE 144A AND A “QUALIFIED PURCHASER” MEETING THE REQUIREMENTS OF THE INVESTMENT COMPANY ACT PURCHASING FOR ITS OWN ACCOUNT OR THE ACCOUNT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, (4) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND, TO THE EXTENT THEN APPLICABLE TO THE ISSUER, IN A MANNER CONSISTENT WITH ITS EXEMPTION FROM THE INVESTMENT COMPANY ACT, OR (5) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, AND, TO THE EXTENT THEN APPLICABLE TO THE ISSUER, THE INVESTMENT COMPANY ACT SUBJECT TO THE ISSUER’S, THE BONDS TRUSTEE’S, THE SECURITY TRUSTEE’S, THE REGISTRAR’S AND THE TRANSFER AGENT’S RIGHT PRIOR TO ANY SUCH REOFFER, SALE OR TRANSFER (I) IN THE CASE OF CLAUSE (4), TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, AND (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM SET FORTH IN THE TRUST DEED IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE.

EACH INITIAL PURCHASER AND EACH SUBSEQUENT TRANSFEREE OF THIS BOND OR ANY INTEREST OR PARTICIPATION HEREIN WILL BE DEEMED TO REPRESENT THAT IT AGREES TO COMPLY WITH THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND WILL NOT TRANSFER THIS BOND OR ANY INTEREST OR PARTICIPATION HEREIN EXCEPT TO A TRANSFEREE WHO CAN MAKE THE SAME REPRESENTATIONS AND AGREEMENTS ON BEHALF OF ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING. ANY TRANSFER OF THIS BOND OR ANY INTEREST OR PARTICIPATION HEREIN IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT AND WILL BE NULL AND VOID AB INITIO AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER.

IF THIS BOND WAS ACQUIRED BY A U.S. PERSON THAT IS DETERMINED NOT TO HAVE BEEN BOTH A QUALIFIED INSTITUTIONAL BUYER AND A QUALIFIED PURCHASER AT THE TIME OF ACQUISITION, THE ISSUER HAS THE RIGHT TO REQUIRE SUCH HOLDER TO SELL THIS NOTE TO A U.S. PURCHASER WHO IS BOTH A QUALIFIED INSTITUTIONAL BUYER AND A QUALIFIED PURCHASER. THE ISSUER ALSO HAS THE RIGHT TO REFUSE TO HONOR A TRANSFER TO A U.S. PERSON WHO IS NOT BOTH A QUALIFIED INSTITUTIONAL BUYER AND A QUALIFIED PURCHASER.

THIS NOTE AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS BOND TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS BOND SHALL BE DEEMED BY THE ACCEPTANCE OF THIS BOND TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.

- (14) If it is a purchaser in a sale that occurs outside the United States within the meaning of Regulation S, it acknowledges that until the expiration of the 40-day distribution compliance period²² within the meaning of Rule 903 of Regulation S, any offer or sale of the Bonds will not be made by it to a U.S. Person or for the account or benefit of a U.S. Person within the meaning of Rule 902(k) of the Securities Act and then only to someone whom the purchaser reasonably believes to be a QIB/QP.

- (15) The purchaser acknowledges that the Issuer will not be registered under the Investment Company Act in reliance on the exclusion under Section 3(c)(7) of the Investment Company Act, and as a result it may be considered a “covered fund” for purposes of the Volcker Rule. The definition of “covered fund” in the Volcker Rule generally includes any entity that would be an investment company under the Investment Company Act, but for the exclusions provided under Section 3(c)(1) or 3(c)(7) thereunder. Accordingly, “banking entities” that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining an “ownership interest” (as defined under the Volcker Rule) in the Issuer if the Bonds are determined to constitute “ownership interests” for purposes of the Volcker Rule, absent any applicable exclusion from the definition of “covered fund” or exemption from the Volcker Rule’s covered fund-related prohibitions. Each purchaser must make its own determination as to whether it is a “banking entity” subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain the Bonds.
- (16) The purchaser (a) is able to act on its own behalf in the transactions contemplated by this Information Memorandum, (b) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its prospective investment in the Bonds, and (c) (or the account for which it is acting) has the ability to bear the economic risks of its prospective investment in the Bonds and can afford the complete loss of such investment.
- (17) The purchaser acknowledges that (a) none of us, the Placement Agents or any person acting on behalf of any of the foregoing has made any statement, representation, or warranty, express or implied, to it with respect to the issuer or the offer or sale of any Bonds, other than the information we have included in this Information Memorandum, and (b) any information it desires concerning the issuer, the Bonds or any other matter relevant to its decision to acquire the Bonds (including a copy of the Information Memorandum) is or has been made available to it.
- (18) The purchaser acknowledges that it received a copy of the Information Memorandum and acknowledges that it has had access to such financial and other information as it deemed necessary in connection with its decision to purchase the Bonds, including an opportunity to ask questions of a request information from the Issuer and the Placement Agents, and it has received and reviewed all information that was requested.
- (19) The purchaser is acquiring the Bonds for investment for its, his or her own account, and not with the view to, or for resale in connection with, any distribution thereof in violation of the Securities Act, and it has no present intention of distributing any of such securities in violation of the Securities Act or any applicable state securities law and has no contract, undertaking, agreement or arrangement with any person regarding the distribution of such securities in violation of the Securities Act or any applicable state securities law.
- (20) The purchaser acknowledges that the foregoing requirements and restrictions apply to holders of beneficial interests in the Bonds, as well as holders of the Bonds and any sale or transfer of the Bonds (or beneficial interests therein) to a person that does not meet each of the foregoing requirements will be null and void *ab initio* and not honored by the Issuer.
- (21) The purchaser acknowledges that neither the Bonds Trustee, nor the Registrar, nor the Transfer Agent will be required to accept for registration of transfer any Bonds acquired by the purchaser, except upon presentation of evidence satisfactory to the Issuer and the Trustee that the restrictions set forth herein have been complied with.
- (22) The purchaser acknowledges that the Issuer, the Bonds Trustee, the Security Trustee, the Registrar, the Transfer Agent, the Placement Agents and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of the acknowledgments, representations or agreements made or deemed to have been made by its purchase of the Bonds are no longer accurate, it will promptly notify the Issuer, the Bonds Trustee, the Security Trustee, the Registrar, the Transfer Agent and the Placement Agents. If it is acquiring the Bonds as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each of those accounts and it has full power to make the foregoing acknowledgments, representation and agreements on behalf of each of those accounts.

- (23) The purchaser acknowledges that the Bonds have not been approved or disapproved by the SEC or any other regulatory authority, nor have they passed upon the adequacy or accuracy of this information memorandum.
- (24) The purchaser understands and acknowledges that its, his or her investment in the Bonds involves a high degree of risk and has sought such accounting, legal and tax advice as it, he or she has considered necessary to make an informed investment decision with respect to its, his or her acquisition of the shares of the Bonds.
- (25) The purchaser understands and acknowledges that the Bonds not be registered under the Securities Act by reason of a specific exemption from the registration and prospectus delivery requirements of the Securities, the availability of which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of its representations set forth herein.
- (26) The purchaser acknowledges that no action has been taken in any jurisdiction (including the United States) by the Issuer, the Placement Agents or any other person that would permit a public offering of the Bonds or the possession, circulation or distribution of this information memorandum or any other material relating to us or the Bonds in any jurisdiction where action for the purpose is required.

Switzerland

The Bonds shall not be publicly offered, sold, advertised, distributed or redistributed, directly or indirectly, in or from Switzerland, and neither this Information Memorandum nor any other solicitation for investments in the Bonds may be communicated, distributed or otherwise made available in Switzerland in any way that could constitute a public offering within the meaning of Articles 652a and 1156 of the Swiss Code of Obligations (“CO”) or of Article 3 of the Swiss Federal Act on Collective Investment Schemes (“CISA”) unless the legal and regulatory conditions imposed on a public offering under the CO or CISA are satisfied. This Information Memorandum does not constitute a public offering within the meaning of Articles 652a, respectively 1156, of the CO and of Article 5 of the CISA and may not comply with the information standards required thereunder, and in particular with the guidelines on informing investors about structured products as published in September 2014 by the Swiss Bankers Association, as applicable. Neither this Information Memorandum nor any other offering or marketing material relating to the Bonds constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the CO or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland, and neither this Offer Information Statement nor any other offering or marketing material relating to the Bonds may be publicly distributed or otherwise made publicly available in Switzerland. The Bonds will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland.

The Bonds do not constitute collective investments within the meaning of the CISA. Accordingly, holders of the Bonds do not benefit from protection under the CISA or from the supervision of the Swiss Financial Market Supervisory Authority. Investors are exposed to the default risk of the Issuer.

Hong Kong

The Bonds have not been offered or sold and will not be offered or sold in the Hong Kong Special Administrative Region of the People’s Republic of China (“**Hong Kong**”), by means of any document, other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) and any rules made under the SFO, or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding-up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the Bonds has been issued or has been in the possession of any person, or will be issued or will be in the possession of any person, for the purposes of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong) (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

Australia

Neither this Information Memorandum, nor any prospectus or disclosure document (as defined in the Corporations Act 2001 of the Commonwealth of Australia (the “**Corporations Act**”)) in relation to the Bonds has been, or will be, lodged with or registered by, the Australian Securities and Investments Commission (“**ASIC**”) or the Australian Securities Exchange (“**ASX**”) and no offer of the Bonds for issue or sale in Australia (including an offer or invitation which is received by a person in Australia) has been made or invited, or will be made or invited, and neither this Information Memorandum nor any other offering material or advertisement relating to the Bonds has been distributed or published or made available, or will be distributed or published or made available, in Australia, unless, in each case, (i) the aggregate consideration payable by each offeree or invitee is at least A\$500,000 (or its equivalent in other currencies, in either case disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Parts 6D.2 or 7.9 of the Corporations Act, (ii) such action complies with all applicable Australian laws, regulations and directives (including without limitation, the licensing requirements set out in Chapter 7 of the Corporations Act, (iii) such action does not require any document to be lodged with ASIC or the ASX and (iv) the offer or invitation is not made to a person who is a “retail client” within the meaning of section 761 G of the Corporations Act.

SINGAPORE TAXATION

The statements made herein regarding taxation are general in nature and based on certain aspects of the tax laws of Singapore and administrative guidelines and circulars issued by the relevant authorities in force as of the date of this Information Memorandum and are subject to any changes in such laws, administrative guidelines or circulars, or in the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retrospective basis. The statements made herein do not purport to be a comprehensive or exhaustive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Bonds and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Bonds are advised to consult their own tax advisers as to the Singapore or other tax consequences of the acquisition, ownership or disposition of the Bonds including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasized that none of the Issuer, the lead managers, and any other persons involved in this Information Memorandum accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Bonds.

INTEREST AND OTHER PAYMENTS

Subject to the following paragraphs, under Section 12(6) of the Income Tax Act (Chapter 134 of Singapore)(the “ITA”), the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15% final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17%. The applicable rate for non-resident individuals is 22% with effect from Year of Assessment 2017. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15%. The rate of 15 percent may be reduced by applicable tax treaties.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (a) interest from debt securities derived on or after January 1, 2004;
- (b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after February 17, 2006; and
- (c) prepayment fee, redemption premium or break cost from debt securities derived on or after February 15, 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession in Singapore.

References to “break cost”, “prepayment fee” and “redemption premium” in this Singapore tax disclosure have the same meaning as defined in the ITA.

The terms “break cost”, “prepayment fee” and “redemption premium” are defined in the ITA as follows:

- (a) “break cost” means, in relation to debt securities, qualifying debt securities or qualifying project debt securities, any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;
- (b) “prepayment fee” means, in relation to debt securities, qualifying debt securities or qualifying project debt securities, any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and
- (c) “redemption premium” means, in relation to debt securities, qualifying debt securities or qualifying project debt securities, any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

Australia and New Zealand Banking Group Limited, Standard Chartered Bank (Singapore) Limited and DBS Bank Ltd. are the lead managers. As the issue of the Bonds is jointly lead-managed by Australia and New Zealand Banking Group Limited, Standard Chartered Bank (Singapore) Limited and DBS Bank Ltd. which are either a Financial Sector Incentive (Standard Tier) Company or a Financial Sector Incentive (Capital Market) Company (as defined in the ITA), the Bonds issued as debt securities during the period from the date of this Information Memorandum to December 31, 2023 would be, pursuant to the ITA, “qualifying debt securities” for the purposes of the ITA, to which the following treatments shall apply:

- (a) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, of a return on debt securities for the Bonds within such period as the MAS may specify and such other particulars in connection with the Bonds as the MAS may require to the MAS and the inclusion by the Issuer in all offering documents relating to the Bonds of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Bonds is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Bonds using funds from that person’s operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the “**Specified Income**”) from the Bonds paid by the Issuer and derived by a holder who is not resident in Singapore and who (i) does not have any permanent establishment in Singapore or (ii) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Bonds are not obtained from such operation in Singapore, are exempt from Singapore tax;
- (b) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, of a return on debt securities for the Bonds within such period as the MAS may specify and such other particulars in connection with the Bonds as the MAS may require), Specified Income from the Bonds paid by the Issuer and derived by any company or body of persons (as defined in the ITA) in Singapore is generally subject to tax at a concessionary rate of 10%; and
- (c) subject to:
 - (i) the Issuer including in all offering documents relating to the Bonds a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Specified Income) derived from the Bonds is not exempt from tax shall include such income in a return of income made under the ITA; and
 - (ii) the Issuer, or such other person as the MAS may direct, furnishing to the MAS a return on debt securities for the Bonds within such period as the MAS may specify and such other particulars in connection with the Bonds as the MAS may require,

payments of Specified Income derived from the Bonds are not subject to withholding of tax by the Issuer.

However, notwithstanding the foregoing:

- (a) if during the primary launch of the Bonds, the Bonds are issued to fewer than four (4) persons and 50% or more of the issue of the Bonds is held beneficially or funded, directly or indirectly, by a related party or related parties of the Issuer, the Bonds would not qualify as “qualifying debt securities”; and
- (b) even though the Bonds are “qualifying debt securities”, if, at any time during the tenor of the Bonds, 50% or more of the issue of the Bonds which are outstanding at any time during the life of their issue is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, Specified Income derived from the Bonds held by:
 - (i) any related party of the Issuer; or
 - (ii) any other person who acquires the Bonds with funds obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term “related party.” in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

Notwithstanding that the Issuer is permitted to make payments of Specified Income in respect of the Bonds without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose Specified Income (whether it is interest, discount income, prepayment fee, redemption premium or break cost) derived from the Bonds is not exempt from tax is required to include such income in a return of income made under the ITA.

Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Bonds will not be taxable in Singapore. However, any gains derived by any person from the sale of the Bonds which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Bonds who are adopting or have adopted Singapore Financial Reporting Standard 39 — Financial Instruments: Recognition and Measurement (“**FRS 39**”), Singapore Financial Reporting Standard 109- Financial Instruments (“**FRS 109**”) or Singapore Financial Reporting Standard (International) 9 (“**SFRS(I) 9**”) (as the case may be) may for Singapore income tax purposes be required to recognize gains or losses (not being gains or losses in the nature of capital) on the Bonds, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on “*Adoption of FRS 39, FRS 109 or SFRS(I) 9 Treatment for Singapore Income Tax Purposes.*”

Adoption of FRS 39, FRS 109 or SFRS(I) 9 Treatment for Singapore Income Tax Purposes

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and “opt-out” provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has issued an e-tax guide entitled “Income Tax Implications Arising from the Adoption of FRS 39—Financial Instruments: Recognition and Measurement”.

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after January 1, 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 (as the case may be) for financial reporting purposes, to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued an e-tax guide entitled “Income Tax: Income Tax Treatment Arising from Adoption of FRS 109- Financial Instruments”.

Holders of the Bonds who may be subject to the tax treatment under sections 34A or 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Bonds.

Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after February 15, 2008.

GENERAL INFORMATION

Where You Can Find More Information

Upon completion of the issuance of the Bonds, we will not be subject to the periodic reporting and other information requirements of the U.S. Securities Exchange Act of 1934. This Information Memorandum contains summaries of certain agreements that we have entered into or will enter into in connection with the Transaction. The descriptions contained in this Information Memorandum of these agreements do not purport to be complete and are subject to, or qualified in their entirety by reference to, the definitive agreements. Copies of the definitive agreements will be made available without charge to you in response to a written request to us.

No Litigation

The Issuer is not involved, and has not been involved, in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had since the date of its incorporation a significant effect on the Issuer's financial position, business or operations.

Clearing Systems

The Bonds have been accepted for clearance through Euroclear and Clearstream, Luxembourg with the following:

Bonds	ISIN	Common Code
Rule 144A	XS2271198371	227119837
Regulation S	XS2271198611	227119861

Minimum Board Lot Size on the SGX-ST

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

APPENDICES

**Appendix A
Countries Overview**

CAMBODIA MACRO SITUATION

Moody's		Standard & Poor's		Fitch		COFACE	
Sovereign Rating	Credit	Sovereign Rating	Credit	Sovereign Rating	Credit	Country Assessment	Risk
B2/Stable		N.A.		N.A.		C	

(All ratings as of end of April 2020)

Cambodia's economy has witnessed rapid development over the last two decades, averaging 8.1% GDP growth since 1999. Though this has stabilized at around 7% since the beginning of the 2010s, Cambodia remains the fastest-growing economy in East Asia. Major growth sectors include tourism, textiles, construction, real estate, and agriculture. Significant government spending and robust domestic demand, combined with strong export growth, look set to sustain this growth in the medium term.

Exports have been a strong driver of Cambodia's economic growth. Foreign Direct Investments (FDI) have also grown rapidly in recent years. However, in light of the COVID-19 Pandemic, the ADB expects growth to moderate in 2020 to 2.5% (due to drastically lower tourist arrivals and reduced exports caused by both reduced global consumption and the removal of duty-free access to the EU for some categories of goods.) Foreign direct investment is also likely to slow, in part due to the slowdown of growth in China, which has been a major source of FDI in recent times. The uncertain access to the European market also poses risks for foreign direct investment. With Cambodia having a large persistent current account deficit, this makes the country vulnerable to external shocks.

ANNUAL INDICATORS

Fiscal Year (ends 31 December)	2013	2014	2015	2016	2017	2018	2019
GDP, current prices (KHR trillion)	61.2	67.4	73.6	81.2	89.9	99.1	110.0
GDP, current prices (US\$ billion)	15.2	16.7	18.1	20.0	22.2	24.5	27.1
Real GDP growth (%)	7.4	7.1	7.0	7.0	7.0	7.3	7.1
Inflation (%)	3.0	3.9	1.2	3.0	2.9	2.5	1.9
Population (million)	15.1	15.3	15.4	15.3	15.4	15.6	15.7
Trade Balance (US\$ billion)	-3.2	-3.2	-3.4	-3.4	-3.9	-5.3	-28.66
Current Account Balance (% of GDP)	-14.9	-11.7	-11.1	-10.1	-10.9	-13.6	-17.6
Gross International Reserves (US\$ billion)	3.6	4.4	5.1	6.7	8.8	10.1	18.7
External Debt Outstanding (US\$ billion)	4.8	5.3	5.7	5.9	6.7	7.0	-
Debt Service Ratio (% of Exports)	1.1	-	1.1	1.4	1.3	1.4	-
Fiscal Balance (% of GDP)	-6.9	-3.6	-2.4	-0.3	-0.9	-5.1	5.3
Annual Average Exchange Rate (KHR/US\$)	4,027	4,038	4,068	4,059	4,051	4,045	4084

Sources:

- <https://data.adb.org/dataset/basic-statistics-asia-and-pacific>
- <https://www.imf.org/external/datamapper/NGDPD@WEO/OEMDC/ADVEC/WEOWORLD>
- <https://www.ceicdata.com/en/cambodia/official-exchange-rate/exchange-rate-against-us-monthly-averages>
- <https://www.adb.org/publications/basic-statistics-2020>

INDIA MACRO SITUATION

Moody's		Standard & Poor's		Fitch		COFACE	
Sovereign Rating	Credit	Sovereign Rating	Credit	Sovereign Rating	Credit	Country Assessment	Risk
Baa3/Negative		BBB-/Stable		BBB-/Negative		C	

(All ratings as of end of June 2020)

India has the second largest population in the world with 1.3 billion people and is Asia's third largest economy. It has full current account convertibility but only partial capital account convertibility. It is still a developing economy that runs persistent current account and fiscal deficits. The economy was already slowing prior to the COVID-19 pandemic as the country was hit from a barrage of exogenous and endogenous factors including the 2013 taper tantrum, demonetization in 2016, introduction of a Goods & Service Tax in 2017, the liquidity crisis caused by the collapse of Infrastructure Leasing & Financial Services (IL&FS) and the default by Dewan Housing Finance in 2018. Last but not least, the asset quality issues that popped out at Yes Bank in March 2020 also worsened sentiment in the market. The slowdown was also reflected in the country's current account position. Its current account deficit shrank from 2.3% in 2018 to 0.9% in 2019. This is primarily due to a lower trade deficit as imports fell from weaker domestic demand. The latest data shows that India's economy shrank by 23.9% YoY in 2Q20 largely due to the 21-day nationwide lockdown imposed by the government in response to the COVID-19 pandemic. Since the end of the lockdown period, the economy has gradually reopened. While this is encouraging, there remain short-term risks. The most obvious of which is the rising number of COVID-19 cases in the country. India is ranked second only to the United States with 5.6million coronavirus cases in Sep 2020. As of end-Sept more than 95,000 people have died from the pandemic in India. There is a risk that India may impose another lockdown. Meanwhile, just like every other country in the world, it's government and central bank is likely to pour more money into the economy to try to keep it afloat. The government has already introduced fiscal stimulus of as much as 10% of GDP while the Reserve Bank of India (RBI) has embarked on an expansionary monetary policy stance. RBI has also attempted to ease liquidity conditions for NBFC's and MFI's by rolling out a Targeted Long-Term Repo Operation (TLTRO) facility. Of course, such actions will be subject to policy constraints, especially for emerging economies like India that run persistent twin deficits and does not benefit from any reserve-currency status.

ANNUAL INDICATORS

Fiscal Year (ends 31 March)	2013	2014	2015	2016	2017	2018	2019
GDP, current prices (INR trillion)	108.9	124.7	134.6	153.8	172.5	184.7	199.6
GDP, current prices (US\$ trillion)	1.9	2.0	2.1	2.3	2.7	2.7	2.8
Real GDP growth (%)	6.9	7.4	7.9	7.1	7.2	7.0	5.0
Inflation (%)	5.9	7.0	5.0	4.7	3.7	3.5	4.7
Population (million)	1,233	1,267	1,283	1,299	1,316	1,332	1,341
Trade Balance (US\$ billion)	-146.9	-134.6	-130.2	-105.3	-169.6	-175.5	-5.36
Current Account Balance (% of GDP)	-2.2	-1.5	-1.3	-1.0	-2.0	-2.3	-0.9
Gross International Reserves (US\$ billion)	297.3	330.2	346.8	364.1	420.8	400.2	471.3
External Debt Outstanding (US\$ billion)	442.3	474.4	485.6	471.8	495.7	543.1	-
Debt Service Ratio (% of Exports)	3.1	-	3.1	5.1	2.9	4.2	-
Fiscal Balance (% of GDP)	-6.4	-5.9	-3.9	-3.5	-3.5	-3.4	-3.8
Annual Average Exchange Rate (INR/US\$)	58.5	61.0	64.1	67.2	65.1	68.4	70.4

Sources:

<https://data.adb.org/dataset/basic-statistics-asia-and-pacific>

<https://www.imf.org/external/datamapper/NGDPD@WEO/OEMDC/ADVEC/WEOWORLD>

<https://www.ceicdata.com/en/india/foreign-exchange-rate>

<https://www.adb.org/publications/basic-statistics-2020>

INDONESIA MACRO SITUATION

Moody's		Standard & Poor's		Fitch		COFACE	
Sovereign Rating	Credit	Sovereign Rating	Credit	Sovereign Rating	Credit	Country Assessment	Risk
Baa2/Stable		BBB/negative		BBB/Stable		A4	

(All ratings as of end of April 2020)

Indonesia is the fourth most populous country in the world with 270 million people spread across 17,000 islands. It is also SE Asia's largest economy with lots of natural resources and a positive demographic dividend. Just like many other developing countries, it runs persistent current account and fiscal deficits. Unfortunately, much of its innate growth potential remains locked due to soft and hard infrastructure constraints. Even before the COVID-19 pandemic, GDP growth has moderated to c.5% every year since 2013 compared to 6%-7% growth between 2005-2013. This was largely a function of lower commodity prices and a slower credit cycle. With the advent of the COVID-19 pandemic in 2020, GDP contracted 5.3% YoY in 2Q20. The outlook remains challenging as the country struggles with rising COVID-19 cases. Beyond the pandemic, whether Indonesia can unlock its long-term growth potential depends on whether it can overcome the challenges arising from its soft and hard infrastructure constraints.

ANNUAL INDICATORS

Fiscal Year (ends 31 December)	2013	2014	2015	2016	2017	2018	2019
GDP, current prices (IDR trillion)	9,588	10,576	11,453	12,405	13,649	14,523	15833
GDP, current prices (US\$ billion)	916.7	891.1	860.7	932.1	1020.0	1020.0	1119.2
Real GDP growth (%)	5.8	5.0	4.8	5.0	5.1	5.2	5.0
Inflation (%)	6.4	6.4	6.4	3.5	3.8	3.2	2.8
Population (million)	248.8	252.2	255.5	258.7	265.3	265.0	266.9
Trade Balance (US\$ billion)	6.4	7.1	12.9	15.8	19.4	0.0	0.3
Current Account Balance (% of GDP)	-3.3	-3.0	-2.1	-1.8	-1.7	-3.0	-2.7
Gross International Reserves (US\$ billion)	99.4	111.9	105.9	116.4	130.2	120.7	129.1
External Debt Outstanding (US\$ billion)	266.1	293.8	310.7	320.0	352.5	375.4	-
Debt Service Ratio (% of Exports)	4.7	-	8.2	9.4	9.2	8.5	-
Fiscal Balance (% of GDP)	-2.3	-2.3	-2.5	-2.5	-2.5	-1.7	-2.1
Annual Average Exchange Rate (IDR/US\$)	10,460	11,869	13,306	13,309	13,381	14,238	14,147

Sources:

<https://data.adb.org/dataset/basic-statistics-asia-and-pacific>

<https://www.imf.org/external/datamapper/NGDPD@WEO/OEMDC/ADVEC/WEOWORLD>

<https://www.ceicdata.com/en/indicator/indonesia/exchange-rate-against-usd>

<https://www.adb.org/publications/basic-statistics-2020>

THE PHILIPPINES MACRO SITUATION

Moody's		Standard & Poor's		Fitch		COFACE	
Sovereign Rating	Credit	Sovereign Rating	Credit	Sovereign Rating	Credit	Country Assessment	Risk
Baa2/Stable		BBB+/Stable		BBB/Stable		B	

The Philippines is Southeast Asia's third largest economy with a population of 108mn people spread across >7,000 islands. Following the 1997/98 Asian Financial Crisis, the Philippines spent almost one and a half decades to purge out the excesses accumulated from the investment driven boom prior to 1997. Much of this was possible as the economy repositioned itself to take advantage of the positive trade trends from 2000-2010. However, global trade trends started to reverse after the 2008/09 Global Financial Crisis. While the Philippines continued to benefit from strong remittance inflows from Overseas Filipino Workers (OFW), its current account position started to shrink. It finally entered into a deficit position in 2017 as the government launched huge infrastructure projects. Meanwhile, the credit cycle also started to turn with banking system gross NPL ratio bottoming at 1.24% in 2017 and creeping up to 2.7% in July 2020. As a result of all these factors, economic growth was already slowing prior to the COVID-19 pandemic. GDP growth, which has been typically range-bound between 6-7% from 2013-2019 has been grinding down towards the lower end of that range from 2018-2019. Following the advent of the COVID-19 pandemic in 2020, GDP fell 16.3% YoY in 2Q20. While the short-term outlook remains challenging, the economy is expected to rebound sharply in 2021 on the assumption that the COVID-19 virus is contained, the economy is opened up and stimulus measures kick in.

ANNUAL INDICATORS

Fiscal Year (ends 31 December)	2013	2014	2015	2016	2017	2018	2019
GDP, current prices (PHP trillion)	11.5	12.6	13.3	14.5	15.8	17.4	18.5
GDP, current prices (US\$ billion)	271.8	284.6	292.8	304.9	313.6	330.9	359.4
Real GDP growth (%)	7.2	6.1	5.9	6.9	6.7	6.2	5.9
Inflation (%)	3.0	4.1	1.4	1.8	3.2	5.2	2.4
Population (million)	97.4	99.9	101.6	103.2	104.9	106.6	108.2
Trade Balance (US\$ billion)	-18.5	-15.1	-21.7	-74.1	-41.1	-49.0	-12.9
Current Account Balance (% of GDP)	3.5	3.6	2.9	0.2	-0.8	-2.4	-0.1
Gross International Reserves (US\$ billion)	83.2	79.5	80.7	80.7	81.6	79.2	87.8
External Debt Outstanding (US\$ billion)	58.5	77.7	77.5	74.8	73.1	78.9	-
Debt Service Ratio (% of Exports)	7.2	-	7.0	7.7	5.3	4.5	-
Fiscal Balance (% of GDP)	-1.4	-0.6	-0.9	-2.4	-2.2	-3.2	-3.5
Annual Average Exchange Rate (PHP/US\$)	42.4	44.4	45.5	47.5	50.4	52.7	51.7

Sources:

<https://data.adb.org/dataset/basic-statistics-asia-and-pacific>

<https://www.imf.org/external/datamapper/NGDPD@WEO/OEMDC/ADVEC/WEOWORLD>

<https://www.ceicdata.com/en/indicator/philippines/exchange-rate-against-usd>

<https://www.adb.org/publications/basic-statistics-202>

Appendix B
Form of Notice to Counterparties



January 31, 2020

WLB Asset Pte. Ltd.
1 Raffles Place
#13-01 One Raffles Place
Singapore 048616
Att.: Lye Nah Chan, Director
Att.: Caroline Baker

Impact Investment Exchange Pte Ltd
1 King George's Avenue
#05-00 Rehau Building
Singapore 208557
Att.: Robert Kraybill, Managing Director, Portfolio Management and Chief Investment Officer

WLB Asset II Pte Ltd
9 Raffles Place
#26-01 Republic Plaza
Singapore 048619
Att.: Chek Khai Juat, Director

WLB Asset II B Pte Ltd
WLB Asset II C Pte Ltd
WLB Asset II D Pte Ltd
1 King George's Avenue
#05-00 Rehau Building
Singapore 208557
Att.: Durreen Shahnaz, Director

RE: Notice of Transfer of Guarantees to the United States International Development Finance Corporation (Guarantee Nos. LPG 486-DCA-16-001, 497-DCA-19-012)

To the Parties Listed Herein:

Reference is made to (a) the guarantee agreements entered into between WLB Asset Pte. Ltd, Impact Investment Exchange Pte Ltd, WLB Asset II Pte Ltd, WLB Asset II B Pte Ltd, WLB Asset II C Pte Ltd, WLB Asset II D Pte Ltd, and the United States Agency for International Development (“**USAID**”) through USAID’s Development Credit Authority (“**DCA**”) (as amended, restated, supplemented, and otherwise modified from time to time, the “**Agreements**”), and (b) the Better Utilization of Investments

Leading to Development Act of 2018, 22 U.S.C. §§ 9601 *et seq.* Except as otherwise defined herein, capitalized terms shall have the definitions set forth in the relevant Agreement.

The purpose of this letter is to provide notice of the transfer of DCA's functions, personnel, assets, and liabilities to the United States International Development Finance Corporation, an agency of the United States of America (the "**DFC**"), pursuant to 22 U.S.C. § 9683. Please note that you will be receiving a separate letter relating to any loan or guarantee agreements to which you are currently a party with the Overseas Private Investment Corporation.

Transfer to the DFC as of the Effective Date

Effective as of January 1, 2020 (the "**Effective Date**"), USAID has transferred to the DFC all of its (a) rights, title, and interest in and to, and (b) duties, obligations, and liabilities under, the Agreements. All references to USAID in the Agreements and any related documents shall, as of the Effective Date, be deemed to constitute references to the DFC.

Payments to the DFC as of the Effective Date

As of the Effective Date and thereafter, all payments due and owing to the DFC under the Agreements shall be remitted to the DFC by Fedwire transfer, international electronic funds transfer, or check.

All U.S. dollar payments shall be remitted to the DFC by Fedwire transfer or international electronic funds transfer and shall be executed in accordance with the instructions set forth in Schedule 1 attached hereto.

All local currency payments to the DFC shall be made directly to the Embassy Cashier in-country via check. The check shall include the DFC Agency Locator Code ("07722001") and the applicable guarantee agreement number. Please also provide a copy of the relevant invoice when paying locally by check.

Notices to the DFC as of the Effective Date

As of the Effective Date and thereafter, except as set forth below, all notices, demands, or other communications to the DFC in respect of the Agreements should be sent to the following address:

United States International Development Finance Corporation
1100 New York Avenue, N.W.
Washington, D.C. 20527
United States of America
Attn.: Relationship Manager
E-mail: notices@dfc.gov
Re: Guarantee No. 486-DCA-16-001, 497-DCA-19-012

In the case of notices or other documents required under the Agreement in connection with environmental policy matters, worker rights or other social policy matters, please send such notices and documents to your Relationship Manager, with a copy electronically to notices@dfc.gov.

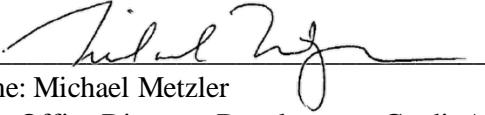
Additional Information

Please refer to www.dfc.gov after the Effective Date for further information regarding the DFC. In addition, please note email addresses for DFC employees will be in the following format: firstname.lastname@dfc.gov.

This letter shall have no effect on any provisions of the Agreements other than as explicitly set forth herein, and all such provisions shall remain in full force and effect.

Sincerely,

U.S. Agency for International Development

By: 

Name: Michael Metzler

Title: Office Director, Development Credit Authority

Schedule 1

WIRE INSTRUCTIONS FOR REMITTANCE OF PAYMENTS TO THE DFC

Please provide the following instructions to your financial institution for the remittance of Fedwire payments to the **UNITED STATES INTERNATIONAL DEVELOPMENT FINANCE CORPORATION**. If you have questions regarding the wire, please contact accountingoperations@dfc.gov

FEDWIRE - US Dollars	Required Information
Receiving Financial Institution	TREAS NYC
Receiving ABA Number	021030004
Beneficiary ID	07722001
Beneficiary Name	United States International Development Finance Corporation
Beneficiary Info	Payor name: <i>[name of party sending payment]</i> ; Loan number: <i>[DFC loan number or guarantee number]</i>

Please provide the following instructions to your financial institution for the remittance of SWIFT payments to the **UNITED STATES INTERNATIONAL DEVELOPMENT FINANCE CORPORATION**. If you have questions regarding the wire, please contact accountingoperations@dfc.gov

International Electronic Funds Transfers (ITS Collections):

SWIFT - US Dollars	Required Information
Receiving Financial Institution	TREAS NYC
Receiving ABA Number	021030004
Beneficiary ID	FRNYUS33
Beneficiary Name	United States International Development Finance Corporation
Beneficiary Account Number	07722001
Details of Charges	OUR
Beneficiary Info	Payor name: <i>[name of party sending payment]</i> ; Loan number: <i>[DFC loan number or guarantee number]</i>

Appendix C
Form of Loan Portfolio Guarantee Agreement

LOAN PORTFOLIO GUARANTEE AGREEMENT
Guarantee No: 497-DCA-19-012

Between

THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

and

WLB ASSET II PTE LTD

WLB ASSET II B PTE LTD

WLB ASSET II C PTE LTD

WLB ASSET II D PTE LTD

each a Guaranteed Party

and

IMPACT INVESTMENT EXCHANGE PTE LTD
the Facility Manager

Appropriation:

Budget Plan Code:

Strategic Objective:

Amount Obligated:

Guarantee Number: 497-DCA-19-012

Fund Cite:

The information contained in this Loan Portfolio Guarantee Agreement may include trade secrets and commercial or financial information which may be privileged and confidential and may be exempt from disclosure under the Freedom of Information Act, 5 U.S.C. 552. Furthermore, this information may be prohibited from disclosure under the Trade Secrets Act, 18 U.S.C. 1905.

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Dated as of: September ____, 2019

Fiscal Year of Agreement: **FY 2019**

LOAN PORTFOLIO GUARANTEE AGREEMENT

Durreen Shahnaz
Director
WLB Asset II Pte Ltd
WLB Asset II B Pte Ltd
WLB Asset II C Pte Ltd
WLB Asset II D Pte Ltd
1 King George’s Avenue
#05-00 Rehau Building
Singapore 208557

Robert Kraybill
Managing Director, Portfolio Management and Chief Investment Officer
Impact Investment Exchange Pte Ltd
1 King George’s Avenue
#05-00 Rehau Building
Singapore 208557

Subject: Asia Regional Loan Portfolio Guarantee No. 497-DCA-19-012

To the Parties Listed Herein:

The United States Agency for International Development (“**USAID**”) on behalf of the Government of the United States of America hereby agrees to partially guarantee certain Qualifying Loans (as hereinafter defined) made by WLB Asset II Pte Ltd, WLB Asset II B Pte Ltd, WLB Asset II C Pte Ltd, WLB Asset II D Pte Ltd (each, a “**Guaranteed Party**” and collectively, the “**Guaranteed Parties**”) in accordance with the provisions of the following attached documents: (1) the Guarantee Term Sheet and (2) the Standard Terms and Conditions. These two attached documents, together with all appendices thereto and this letter, constitute the guarantee agreement (the “**Agreement**”). Impact Investment Exchange Pte Ltd is the facility manager (the “**Facility Manager**”) to the Guaranteed Parties and party to the Agreement. USAID, the Guaranteed Parties, and the Facility Manager are each a “**Party**” and together, the “**Parties.**” Unless otherwise defined, capitalized terms used in the Agreement shall have the meanings ascribed to them in Article XIV of the Standard Terms and Conditions.

Please confirm your acceptance of the terms of the Agreement by signing in the place indicated below and returning two fully executed copies to USAID.

Attached: Attachments 1 (Guarantee Term Sheet) and 2 (Standard Terms and Conditions)

Sincerely,

Erin E. McKee
Mission Director
USAID/Indonesia
Date: _____

Accepted and agreed:

By: Durreen Shahnaz
Director
WLB Asset II Pte Ltd

Date: _____

Accepted and agreed:

By: Durreen Shahnaz
Director
WLB Asset II B Pte Ltd

Date: _____

Accepted and agreed:

By: Durreen Shahnaz
Director
WLB Asset II C Pte Ltd

Date: _____

Accepted and agreed:

By: Durreen Shahnaz
Director
WLB Asset II D Pte Ltd

Date: _____

Accepted and agreed:

By: Robert Kraybill
Managing Director
Impact Investment Exchange Pte Ltd

Attachment 1 (Guarantee Term Sheet)

A. GUARANTEE PURPOSE. The USAID guarantee (the “**Guarantee**”) provided under the terms and conditions of this Loan Portfolio Guarantee Agreement (this “**Agreement**”) is intended to strengthen each Guaranteed Party’s ability to provide loans to microfinance institutions and impact enterprises across South and Southeast Asia with the goal of empowering women to transition to sustainable livelihoods through access to both capital and resources and opportunities to participate in the labor force. The guaranteed loans shall be funded with proceeds from a series of up to four bond issuances over time, thus mobilizing capital from private investors through the capital markets.

B. THE GUARANTEE. To induce the Guaranteed Parties to make “Qualifying Loans” to “Qualifying Borrowers,” the Parties agree to the following terms:

1. Maximum Authorized Portfolio Amount: The aggregate principal amount outstanding of all Qualifying Loans covered under the Agreement at any one time shall not exceed the Local Currency equivalent of one hundred million U.S. Dollars (US\$100,000,000).

2. Maximum Cumulative Disbursements Amount: The maximum cumulative amount of all loan disbursements made under Qualifying Loans shall not exceed one hundred million U.S. Dollars (US\$100,000,000).

3. Maximum Cumulative Disbursements Sub-Amount: The maximum cumulative sub-amount of disbursements made under Qualifying Loans shall initially not exceed the following amounts for each respective Guaranteed Party:

WLB Asset II Pte Ltd	Twenty-three million six hundred thousand U.S. Dollars (US\$23,600,000)
WLB Asset II B Pte Ltd	Twenty-six million U.S. Dollars (US\$26,000,000)
WLB Asset II C Pte Ltd	Twenty-six million U.S. Dollars (US\$26,000,000)
WLB Asset II D Pte Ltd	Twenty-four million four hundred thousand U.S. Dollars (US\$24,400,000)

No disbursement made under a Qualifying Loan by a Guaranteed Party shall be eligible for coverage under the Agreement unless the amount of such disbursement, together with all previous disbursements made under Qualifying Loans by that Guaranteed Party, does not exceed the Maximum Cumulative Disbursement Sub-Amount for that Guaranteed Party.

4. Reallocations: In the event that the Facility Manager determines that any of the three Guaranteed Parties requires more or less of its Maximum Cumulative Disbursements Sub-Amount at any time in furtherance of the Guarantee Purpose, the Facility Manager may request, subject to written agreement by USAID, that all or part of the unused portion of the Maximum Cumulative Disbursements Sub-Amount of one Guaranteed Party be reallocated to another Guaranteed Party.

5. Maximum Cumulative Principal Amount of Qualifying Loans Made Per Qualifying Borrower: The Local Currency equivalent of seven million U.S. Dollars (US\$7,000,000), cumulatively calculated among the Guaranteed Parties, but in no event greater than the Local Currency equivalent of five million U.S. Dollars (US\$5,000,000) per Guaranteed Party, unless otherwise agreed by USAID in writing. The foregoing includes the sum of principal loan disbursements made to a Qualifying Borrower and to any of its Affiliates.

6. Guarantee Percentage: Fifty percent (50%) of the Guaranteed Parties’ net losses of principal only with respect to Qualifying Loans, not to exceed the Guarantee Ceiling.

7. Guarantee Ceiling: Fifty million U.S. Dollars (US\$50,000,000), which represents USAID’s maximum liability.

8. Guarantee Ceiling Sub-Amount: With respect to each Guaranteed Party, the Guarantee Ceiling-Sub Amount shall be fifty percent (50%) of such Guaranteed Party’s Maximum Cumulative Disbursements

Sub-Amount, which represents USAID's maximum liability under this Agreement with respect to any Guaranteed Party. The following represents each Guaranteed Party's initial Guarantee Ceiling Sub-Amount, which may be updated pursuant to Section 4 of the Term Sheet:

WLB Asset II Pte Ltd	Eleven million eight hundred thousand U.S. Dollars (US\$11,800,000)
WLB Asset II B Pte Ltd	Thirteen million U.S. Dollars (US\$13,000,000)
WLB Asset II C Pte Ltd	Thirteen million U.S. Dollars (US\$13,000,000)
WLB Asset II D Pte Ltd	Twelve million two hundred thousand U.S. Dollars (US\$12,200,000)

9. **Final Date for Disbursements of Qualifying Loans:** Any disbursements made in association with any existing or newly reported Qualifying Loans must be made before March 31, 2025.
10. **Coverage Expiration Date:** September 30, 2029.
11. **Final Date for Submitting Claims:** 180 days after the Coverage Expiration Date except as set forth in Article V of the Standard Terms and Conditions attached hereto, provided that no claims may be submitted in connection with any default on a Qualifying Loan that occurs after the Coverage Expiration Date.
12. **Currency of Qualifying Loans:** Qualifying Loans placed under the Guarantee shall be in Local Currency and U.S. Dollars; provided, however, that Qualifying Loans shall be made in the currency of a Qualifying Borrower's operations, unless (i) the applicable Guaranteed Party has demonstrated that, with respect to the Qualifying Borrower's business and operations, the regulatory regime governing external borrowings, or the ability of the Guaranteed Party to apply a hedging mechanism, there is a valid reason for a Qualifying Loan to be made in a currency other than the currency of a Qualifying Borrower's operations and/or the loan has been hedged either by a Guaranteed Party or the Qualifying Borrower; (ii) the applicable Guaranteed Party has determined in accordance with its standard credit analysis the Qualifying Borrower's ability to repay the applicable Qualifying Loan; and (iii) the Guaranteed Parties have received USAID's written approval for a Qualifying Loan to be made in another currency, prior to placing such Qualifying Loan under coverage of the Guarantee, which USAID shall use its best endeavors to provide within 30 days from the written request to USAID from the Guaranteed Parties for such approval. For the avoidance of doubt, this Guarantee Agreement is not a currency hedging instrument nor an alternative to such.
13. **Qualifying Loan Maturity Date:** For each Qualifying Loan, the maturity date for the entire principal amount of such Qualifying Loan shall be no less than 12 months from the date of the initial disbursement of the Qualifying Loan, unless otherwise agreed by USAID in writing.
14. **Currency of Guarantee Payment:** Claim payments made by USAID under the Guarantee and in accordance with this Agreement shall be in U.S. Dollars. For claim payments on a non-USD Qualifying Loan, the U.S. Dollar amount of the claim payment will be determined based on the U.S. Treasury Exchange Rate at the time of claim submission (as further specified in Section 13.04), which shall be calculated on the ninetieth (90th) day following the date a written final demand for full payment under the Qualifying Loan has been made by a Guaranteed Party against the Defaulting Borrower.
15. **Guarantee Reporting Periods:** The first Guarantee Reporting Period will commence upon the date of the Agreement and end on March 31, 2020. Subsequent Guarantee Reporting Periods will consist of six months, beginning with the six-month period from April 1, 2020 to September 30, 2020. The final Guarantee Reporting Period will end on the Coverage Expiration Date, and may be less than a six-month period. USAID may revise any Guarantee Period with prior written notification to the Guaranteed Parties in writing.
16. **Risk Analysis:** The Parties understand that USAID has conducted a detailed risk-based review of each Guaranteed Party and the Facility Manager, including a review of each Guaranteed Parties' and Facility Manger's management, corporate governance, risk analysis, financial condition, asset quality, credit policies and credit approval procedures.

C. **CRITERIA FOR QUALIFYING LOANS.** In addition to the criteria set forth in the Standard Terms and Conditions, the following criteria apply for a Qualifying Loan to be placed under coverage under this Agreement.

17. **Qualifying Loan:** A Loan made by a Guaranteed Party to a "Qualifying Borrower" on or after the date of the Agreement, which meets the criteria specified in Section 2.02 of the Standard Terms and Conditions. No Qualifying Loan shall be eligible for coverage under the Agreement if more than fifty percent (50%) of total payments of principal on such Loan is guaranteed (including this Guarantee) (excluding, however, a guarantee from the parent company or an individual shareholder of the Qualifying Borrower and/or from a subsidiary of the Qualifying Borrower, which serves as collateral).
18. **Qualifying Borrowers:** Privately owned micro-, small-, and medium-sized enterprises (MSMEs) including but not limited to enterprises operating in the sustainable agriculture and clean energy sectors or microfinance institutions (MFIs) deemed to have a positive impact on women's livelihoods. Both types of borrowers (MSMEs and MFIs) must comply with the Guaranteed Parties' impact criteria (as outlined in further detail in Appendix 7), such as companies that have low-income or marginalized women as their main target beneficiaries; provided, however, that a Qualifying Borrower cannot be an Affiliate of the applicable Guaranteed Party. A Qualifying Borrower includes any Affiliate of that Qualifying Borrower. Any question regarding who is a Qualifying Borrower may be resolved in consultation with USAID, and USAID may waive in writing any restriction on loans to Affiliates. No change shall be made to the impact criteria set out in Appendix 7 without the prior written consent of USAID.
19. **Eligible Countries:** "Eligible Countries" are the countries which are acceptable locations for Qualifying Loans. Schedule 1 of this Agreement specifies each Eligible Country and the applicable weight corresponding thereto (each, a "Country Weight" or "CW") for purposes of calculating the Total Country Weight Value.

A Guaranteed Party may request, in writing, that USAID includes additional Eligible Countries and USAID may approve such in writing, at its sole discretion. USAID may also, in writing, remove Eligible Countries or modify the Country Weight applicable to such countries, at its sole discretion. For the avoidance of doubt, no change in the Country Weight applicable to an Eligible Country shall affect the eligibility of a Qualifying Loan that was placed under the coverage of the Agreement prior to the effective date of any such change.

20. **Total Country Weight Value:** The "Total Country Weight Value" means the sum of each Qualifying Loan weighted by its Country Weight Group, determined by the country in which the loan was made, as provided in Schedule 1. The Total Country Weight Value shall be calculated as follows:
- (i) Determine the total dollar value of all existing Qualifying Loans, including Qualifying Loans that have already matured (the "**Total Qualifying Value of USAID Guaranteed Loans**");
 - (ii) For each Qualifying Loan, determine the "**Country Weight Value**" by doing the following:
 - a. Divide the principal amount of such Qualifying Loan by the Total Qualifying Value of USAID Guaranteed Loans (each, such Qualifying Loan's "**Percentage of the Total Qualifying Value Guaranteed by USAID**");
 - b. Then, multiply the Percentage of the Total Qualifying Value Guaranteed by USAID by the Country Weight applicable to such Qualifying Loan;
 - (iii) Calculate the sum of the products from steps (i) and (ii) to obtain the Total Country Weight Value.

At the end of each Guarantee Reporting Period, the Facility Manager shall provide a full report detailing each Qualifying Loan and the calculation of the Total Country Weight Value as set forth in Schedule 2. At the end of each Guarantee Reporting Period, the Total Country Weight Value shall not exceed 4.0 (the “**Maximum Country Weight Value Requirement**”).

In the event that the applicable Guaranteed Party has failed to comply with the Maximum Country Weight Value Requirement as of the end of a Guarantee Reporting Period, the Qualifying Loan(s) placed under coverage of this Agreement that results in a breach of the Maximum Country Weight Value Requirement shall not be covered by the Guarantee until such time as the Total Country Weight Value is reduced to 4.0 or less. In the event that multiple loans are placed under coverage at the same time, and such loans collectively cause a breach of the Maximum Country Weight Value Requirement, all such loans shall not be covered by the Guarantee until the Total Country Weight Value is reduced to 4.0 or less.

D. USAID GUARANTEE FEES.

- 21(a).** **Origination Fee:** For each Guaranteed Party, thirty basis points (0.30%) of the Maximum Cumulative Disbursements Sub-Amount for such Guaranteed Party, as further set out in Article IV of the Standard Terms and Conditions, and shall not be less than US\$300,000.

At any time a Guaranteed Party receives an increase in its Maximum Cumulative Disbursements Sub-Amount, a corresponding Origination Fee will be charged to such Guaranteed Party. For example, if a Guaranteed Party increases its Maximum Cumulative Disbursements Sub-Amount by \$1,000,000, there would be an additional Origination Fee of \$3,000. However, if such increase in the Maximum Cumulative Disbursements Sub-Amount of a Guaranteed Party results from a reallocation of a portion of the Maximum Cumulative Disbursements Sub-Amount from another Guaranteed Party (pursuant to Section 4 of the Term Sheet, or otherwise) and that other Guaranteed Party has previously paid an Origination Fee that reflected such amount, then no additional Origination Fee shall be payable under this Section 21(a).

- 21(b).** **Utilization Fee:** For each Guaranteed Party, one half of one percent (0.50%) per annum of the average outstanding principal amount of such Guaranteed Party’s Qualifying Loans that is guaranteed by USAID. This amount is to be calculated by multiplying one half of one percent (0.50%) per annum by the average of the principal amount outstanding of all Qualifying Loans at the end of the two most recent Guarantee Reporting Periods. The Utilization Fee is payable semi-annually, as billed.

For illustrative purposes only, a hypothetical Utilization Fee is calculated as follows:

- 0.50% per annum fee of average outstanding principal amount of all Qualifying Loans.
- Outstanding principal amount for the two most recently ended Guarantee Reporting Periods are \$300,000 and \$100,000; resulting in an average of \$200,000.
- Utilization Fee for the six-month period is 0.25% (i.e. half of the 0.50% per annum rate) of \$200,000, which equals \$500.

- 22.** **Currency of Guarantee Fee Payments:** U.S. Dollars or Local Currency with respect to each of the Origination Fee and Utilization Fee, as further specified in Section 4.03 of the Standard Terms and Conditions.

E. MISCELLANEOUS.

- 23.** **Payment Instructions:**

(1) U.S. Dollar payments to USAID shall be made directly to the U.S. Department of Treasury’s account with the Federal Reserve Bank of New York via electronic funds transfer for further credit to USAID. U.S. Dollar wire transfers may be made via a U.S. commercial bank (U.S. Fedwire Participant Bank – Type Code 10) or, if required, via a Central Bank with an account with the Federal Reserve (Type Code 15).

The following information shall be included in the wire transfer instructions:

OPTION 1: FEDWIRE - US Dollars

Receiving Financial Institution.....TREAS NYC

Receiving ABA Number.....0210-3000-4 (must use 9 digit)

Beneficiary ID.....72000001

Beneficiary.....US Agency for International Development

Beneficiary Information..... *Insert name of Guaranteed Party, Insert Agreement number, Reason for payment (e.g., Origination Fee, Utilization Fee, etc.)*

OPTION 2: SWIFT - US Dollars

Receiving Financial Institution.....TREAS NYC

Receiving ABA Number.....0210-3000-4 (must use 9 digit)

Beneficiary ID.....FRNYUS33 (BIC code)

Beneficiary.....US Agency for International Development

Beneficiary Account Number.....72000001

Beneficiary Information..... *Insert name of Guaranteed Party, Insert Agreement number, Reason for payment (e.g., Origination Fee, Utilization Fee, etc.)*

(2) Local Currency payments to USAID may be made either:

- (i) directly to the Embassy Cashier in-country via a check made payable to U.S. Embassy Jakarta, applying the same Beneficiary information as stated above.
- (ii) Via an Electronic Funds Transfer (EFT). The following information shall be included in the EFT instructions:

Account name: US Disbursing Officer
Account Number: 30601121209
Bank Name: Standard Chartered Bank
SWIFT/ABA: SCBLIDJX
BS/Routing Number: 0500306

24. Address for Notices:

USAID:

USAID/Indonesia
Jl. Medan Merdeka Selatan No. 3 - 5
Jakarta 10110, Indonesia

Tel: +62 21 5740565
Attn: Mission Director

A copy of each such notice to USAID shall also be sent by mail:

U.S. Agency for International Development
Development Credit Authority
E3/DCA, Rm. 2.10, RRB
1300 Pennsylvania Ave., N.W.
Washington, DC 20523
Tel: 202-712-1380
Attn: Relationship Manager

GUARANTEED PARTIES:

WLB Asset II Pte Ltd
1 King George's Avenue, #05-00 Rehau Building
Singapore 208557
Tel: (+65) 6221 7051
Attn: Durreen Shahnaz

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Tel: (+65) 6221 7051
Attn: Durreen Shahnaz

WLB Asset II C Pte Ltd
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Singapore 208557
Tel: (+65) 6221 7051
Attn: Durreen Shahnaz

WLB Asset II D Pte Ltd
1 King George's Avenue, #05-00 Rehau Building
Singapore 208557
Tel: (+65) 6221 7051
Attn: Durreen Shahnaz

FACILITY MANAGER:

Impact Investment Exchange Pte Ltd
1 King George's Avenue, #05-00 Rehau Building
Singapore 208557
Tel: (+65) 6221 7051
Attn: Robert Kraybill

Attachment 2 (Standard Terms and Conditions)

Article I: The Guarantee

Section 1.01. **The Guarantee.** USAID agrees to pay each Guaranteed Party an amount equal to the Guarantee Percentage of such Guaranteed Party's net losses of principal only, as specified in Appendix 1 (*Request for Payment of Claim*) and Appendix 2 (*Summary Request for Payment of Claim*), arising solely from payment defaults by a Qualifying Borrower under Qualifying Loans; *provided* that the total amount of payments made by USAID to a Guaranteed Party under the Agreement shall not exceed the Guarantee Ceiling Sub-Amount for that Guaranteed Party, and the total amount of payments in the aggregate to the Guaranteed Parties under the Agreement shall not exceed the Guarantee Ceiling. For purposes of clarification, the USAID Guarantee is not a first loss guarantee, but a *pro rata* risk sharing guarantee of losses after collection efforts pursuant to the claim provisions at Article V and a *pro rata* sharing of Recovered Funds as defined at Section 6.02.

Section 1.02. **The Guarantee Ceiling.** The Guarantee Ceiling specified in Section 7 of the Guarantee Term Sheet represents the maximum total amount of payments (stated in U.S. Dollars) that may be made by USAID to pay claims to the Guaranteed Parties under the Agreement, including to purchase Local Currency to pay Local Currency claims, as calculated using the Embassy Exchange Rate (if applicable). At any such time as the total payments made by USAID for this purpose equal the Guarantee Ceiling, USAID shall have no further obligations to any Guaranteed Party under the Agreement. In addition, at such time as the total payments by USAID to a Guaranteed Party equal the Guarantee Ceiling Sub-Amount for such Guaranteed Party, USAID shall have no further obligations to such Guaranteed Party under the Agreement.

Section 1.03. **Maximum Authorized Portfolio Amount.** The Maximum Authorized Portfolio Amount is specified in Section 1 of the Guarantee Term Sheet. No new Qualifying Loan may be placed under coverage of the Guarantee unless the principal amount outstanding of all Qualifying Loans then under coverage at the then applicable US Treasury Exchange Rate, together with such new Qualifying Loan, will not exceed the Maximum Authorized Portfolio Amount as of the date such new Qualifying Loan is placed under coverage. For the avoidance of doubt, if as a result of the appreciation of the Local Currency against the U.S. Dollar, the U.S. Dollar equivalent of the aggregate amount of Qualifying Loans placed under coverage exceeds the Maximum Authorized Portfolio Amount, the obligations of USAID under the Agreement shall still be subject to the limitation set forth in Section 1.02 (*The Guarantee Ceiling*).

Section 1.04. Maximum Cumulative Disbursements Amount and Maximum Cumulative Principal Amount of Qualifying Loans Made Per Qualifying Borrower.

(a) The Maximum Cumulative Disbursements Amount is specified in Section 2 of the Guarantee Term Sheet. No loan disbursement under a Qualifying Loan that results in the principal amount of such disbursement together with all previous disbursements made under Qualifying Loans exceeding the Maximum Cumulative Disbursements Amount shall be eligible for coverage under the Guarantee.

(b) The Maximum Cumulative Principal Amount of Qualifying Loans Made Per Qualifying Borrower is specified in Section 5 of the Guarantee Term Sheet. No loan disbursement under a Qualifying Loan that results in the principal amount of such disbursement, together with all previous disbursements made to that Qualifying Borrower, exceeding the Maximum Cumulative Principal Amount of Qualifying Loans Made Per Qualifying Borrower shall be eligible for coverage under the Guarantee.

Section 1.05. **Maximum Cumulative Disbursements Sub-Amount.** The Maximum Cumulative Disbursements Sub-Amount is specified in Section 3 of the Guarantee Term Sheet. No new Qualifying Loan may be placed under coverage of the Guarantee by a Guaranteed Party unless the principal amount of all prior disbursements made under Qualifying Loans by that Guaranteed Party, together with the new Qualifying Loan, will not exceed the Maximum Cumulative Disbursements Sub-Amount for such Guaranteed Party.

Section 1.06. **Limitation on Interest, Costs and Expenses.** In no event shall USAID be liable for interest, late fees, penalties, or any other costs or expenses with respect to any Qualifying Loan.

Section 1.07. **Reduction of Guarantee Coverage.** USAID has agreed to the Maximum Authorized Portfolio Amount on the understanding that such amount approximates the aggregate principal amount of the Qualifying Loans which the Guaranteed Parties intend to maintain under guarantee coverage of the Guarantee at any one time. If a Guaranteed Party fails to disburse its Maximum Cumulative Disbursements Sub-Amount under Qualifying Loans by the end of the eleventh Guarantee Reporting Period, then such Guaranteed Party's Maximum Cumulative Disbursements Sub-Amount may be reduced by the unused portion thereof and made available for reallocation in accordance with the terms of Section 4 of the Guarantee Term Sheet. However, if at any time after the first twelve (12) months of the Agreement, the Agreement is not being adequately utilized (as determined by USAID) by the Guaranteed Parties (notwithstanding the provisions of Section 4 of the Guarantee Term Sheet allowing a Guaranteed Party the opportunity to increase its Maximum Cumulative Disbursements Sub-Amount), then the parties hereto may amend the Guarantee to reduce the unused portion of the Maximum Authorized Portfolio Amount and/or the Maximum Cumulative Disbursements Amount and the Guarantee Ceiling, as may be mutually agreed among the parties hereto; provided, however, that any such agreed reduction shall not affect the coverage under the Guarantee of a Qualifying Loan placed into coverage prior to such reduction.

Section 1.08. **Reallocations.** Reallocations of a Guaranteed Party's Maximum Cumulative Disbursements Sub-Amount or Guarantee Ceiling Sub-Amount shall be governed by Section 4 of the Term Sheet.

Section 1.09. **No Partnership.** Nothing in this Agreement shall be deemed to constitute a partnership or joint venture between the Parties or constitute any Party to be the agent of the other Party for any purpose.

Article II: Qualifying Loans

Section 2.01. **Guarantee Coverage.** No Qualifying Loan shall be covered by the terms of the Agreement or placed under the coverage of the Guarantee by a Guaranteed Party unless such Loan is deemed a Qualifying Loan in accordance with the terms of this Agreement.

Section 2.02. **Criteria for a Qualifying Loan.** A Qualifying Loan is a Loan made by a Guaranteed Party that meets the criteria in the Guarantee Term Sheet and that satisfies each of the following statutory and/or regulatory policy related criteria (as shall be provided for in the underlying Loan documentation):

- a) The Qualifying Loan must not be used to finance any of the following:
 - (1) Goods or services which are to be used primarily to meet military requirements or to support police or other law enforcement activities,
 - (2) Surveillance equipment,
 - (3) Gambling equipment, supplies for gambling facilities or any hotels, casinos or accommodations in which gambling facilities are or are planned to be located,
 - (4) Activities which significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas,
 - (5) Military assistance, explosives or fireworks,
 - (6) Activities which relate to trafficking in persons, forced labor, the practice of prostitution or sex trafficking,

- (7) Activities directly or indirectly involving in any way or manner Ammonium Nitrate (AN) or Calcium Ammonium Nitrate (CAN), or
- (8) Activities or individuals connected to terrorist acts.

(b) The Qualifying Loan must not be used to finance any of the following without the prior written approval of USAID. Moreover, approval of Qualifying Loans to finance activities described in subsections (2), (3), (7) or (8) below will be contingent upon the submission by the applicable Guaranteed Party of evidence sufficient to demonstrate compliance with local environmental laws and to enable USAID to make an assessment of the environmental impact of such activities:

- (1) Pharmaceuticals,
- (2) Pesticides,
- (3) Logging equipment,
- (4) Luxury goods (including alcoholic beverages and jewelry),
- (5) Establishing or expanding any enterprise that will export raw materials that are likely to be in surplus in world markets at the time such production becomes effective and that are likely to cause substantial injury to U.S. producers,
- (6) Tobacco or agribusiness activities contributing to tobacco production, promotion or use,
- (7) Activities which would result in the loss of forest lands due to livestock rearing, road construction or maintenance, colonization of forest lands or construction of dams or other water control structures,
- (8) Activities which are likely to have a significant adverse effect on the environment, including any of the following (to the extent such activities are likely to have a significant adverse impact on the environment):
 - (a) programs of river basin development,
 - (b) irrigation or water management projects (including dams and impoundments),
 - (c) agricultural land leveling,
 - (d) drainage projects,
 - (e) large scale agricultural mechanization,
 - (f) new lands development,
 - (g) resettlement projects,
 - (h) penetration road building or road improvement projects,
 - (i) power plants,
 - (j) industrial plants, or
 - (k) potable water and sewerage projects other than those that are small-scale.

(9) Activities which the applicable Guaranteed Party is aware are reasonably likely to contribute to the violation of internationally recognized rights of workers.

(10) Activities directly associated with relocating jobs from the United States to another country.

(c) The Qualifying Loan must not be used to finance equipment, research and/or services related to involuntary sterilization or the performance of abortion as a method of family planning.

(d) The Qualifying Loan must not be used to provide family planning services unless the Qualifying Borrower (i) provides those services on a voluntary and informed choice basis and (ii) provides information, access, or referral to a range of family planning methods. To help ensure this, each Guaranteed Party will include the following statement in the loan agreement: “The Borrower agrees that family planning services provided by the enterprise or organization financed by this loan are provided on a voluntary and informed choice basis, and provide information, access, or referral to a range of family planning methods.”

(e) The Qualifying Loan must be made at interest rates and on terms consistent with those generally prevailing among private commercial lenders in the Qualifying Borrower’s country.

(f) The Qualifying Loan must be funded from the applicable Guaranteed Party’s capital or funds acquired by such Guaranteed Party on a market basis, and not from (i) subsidized loan capital received from government sources, international agencies, not-for-profit institutions or private third parties (provided, however, that the Qualifying Loan may be funded in part by subsidized loan capital received from such sources so long as such subsidized loan capital does not account for more than 20% of the capital used to fund the Qualifying Loan), and/or (ii) investors that are benefitting from a third-party credit enhancement.

(g) The Qualifying Loan must have a scheduled maturity date for the entire principal amount that is consistent with the Qualifying Loan Maturity Date.

(h) Except as otherwise agreed by USAID in writing, the Qualifying Loan must not be made in connection with the refinancing, repayment or repurchase of existing debt.

(i) The Qualifying Loan must have been placed under coverage of the Guarantee in compliance with Article III of the Standard Terms and Conditions and each other applicable provision of the Agreement.

(j) The Qualifying Loan must not be convertible into any kind of equity.

Section 2.03. **Revisions to Qualifying Loan Criteria.** USAID shall have the right at any time to revise, add to or delete any of the Qualifying Loan criteria set forth in Section 2.02 by providing written notice to each Guaranteed Party and any such change will become effective thirty (30) business days following delivery (electronic or otherwise) of such notice to the Guaranteed Parties. No change in the Qualifying Loan criteria taken pursuant to this Section 2.03 shall affect the eligibility of any Qualifying Loan that was placed under the coverage of the Guarantee prior to the effective date of any such change.

Section 2.04. **Determinations Regarding Qualifying Loans.** The determination that a Loan placed under coverage of the Guarantee meets the definition of a Qualifying Loan shall be made and certified to by each Guaranteed Party by submitting a Transaction Report in USAID’s internet-based credit management system (“CMS”) (at <https://admin.cms.usaid.org>). (See CMS screen shots attached as Appendix 3); provided, however, that the written submission of a Qualifying Loan by a Guaranteed Party to USAID in any other form and through any other means, shall be deemed a certification at the time of such submission by such Guaranteed Party that the Loans are Qualifying Loans as defined in the Agreement and that the information submitted is true and correct.

Upon receipt by USAID of the certification through CMS, each Loan entered in CMS shall be deemed a Qualifying Loan under this Agreement and the certification made by the applicable Guaranteed Party that a Loan meets the definition of a Qualifying Loan will be binding on the Parties in the absence of a determination by USAID that such certification was the result of gross negligence, fraud or misrepresentation. Upon any such determination, such Loan shall no longer be deemed a Qualifying Loan under the Agreement and shall no longer be covered under this Agreement and USAID shall have no obligations whatsoever with respect to such Loan.

Section 2.05. **Amendments, Assignment, Restructuring and Transfer of Qualifying Loans.** No Guaranteed Party or the Facility Manager shall restructure or make any material amendments or modifications to the terms or conditions of a Qualifying Loan (including the granting of waivers to material defaults or events of default) without the prior written consent of USAID, including extensions of the final principal repayment date (provided that acceptance by the Guaranteed Party of one late payment per Qualifying Loan, not to exceed 30 days, under a Qualifying Loan shall require only written notice to USAID). No assignment or transfer of any of a Guaranteed Party's or the Facility Manager's rights or obligations under any Qualifying Loan or the Agreement shall be made without the prior written consent of USAID. For the avoidance of doubt, no Guaranteed Party or Facility Manager shall restructure a Qualifying Loan to place any form of capitalized interest, accumulated fees or administrative expenses under coverage of this Agreement. No Qualifying Loan shall be or become part of a syndication or participation without prior written notice to USAID.

Article III: Placing Qualifying Loans Under Guarantee Coverage

Section 3.01. **Time Period for Placing Qualifying Loans under Coverage.** Except as USAID may otherwise agree in writing, no disbursements under a Qualifying Loan may be disbursed following the Final Date for Disbursements of Qualifying Loans, unless such Qualifying Loan and disbursements thereunder (i) have been identified to USAID in the first Loan Schedule required to be submitted to USAID after the date of the initial disbursement of each Qualifying Loan and (ii) has been reported to USAID in the submission of the Loan Schedule for the Guarantee Period ending on the Final Date for Disbursements of Qualifying Loans (unless reported on an earlier date deemed acceptable to USAID) and such Loan Schedule has been approved by USAID. After the Final Date for Disbursements of Qualifying Loans, no new Qualifying Loan or new disbursement thereunder will be considered to be under guarantee coverage (for the avoidance of doubt, this includes disbursements under Qualifying Loans made prior to the Final Date for Disbursements of Qualifying Loans, but previously unreported to USAID).

Section 3.02. **Procedure for Placing Qualifying Loans under Coverage.** Subject to Sections 2.04, 3.01, 7.01, 9.05 and each other requirement of this Agreement, each Qualifying Loan will be deemed to be covered under the Agreement automatically on the date the applicable Guaranteed Party enters the Qualifying Loan in CMS (or, subject to USAID's confirmation, submits a Qualifying Loan to USAID via spreadsheet for upload into CMS) and certifies in CMS that such Loan meets the criteria for a Qualifying Loan. Nothing in this Section shall preclude the Parties from addressing the issue of the eligibility of a Loan for coverage under the Agreement after the Loan is placed under coverage.

Section 3.03. **Procedure for Removing Loans from Coverage.**

(a) **Removal by USAID.** Subject to the provisions of Sections 2.03 and 2.04, at any time USAID may remove any Loan from the coverage of the Guarantee if USAID reasonably determines that such Loan is not a Qualifying Loan. Such removal will be effective upon receipt by the applicable Guaranteed Party of a notice from USAID indicating the Loan to be removed from coverage and stating the reason for such removal. USAID shall use reasonable efforts to consult with the applicable Guaranteed Party prior to issuing any such notice in order to verify that the Loan is not a Qualifying Loan.

(b) **Removal by the Guaranteed Party.** A Guaranteed Party may remove any Qualifying Loan from the coverage of the Guarantee at any time for any reason; provided, however, for the avoidance of doubt, any disbursement made while a Qualifying Loan was under Guarantee coverage shall be included

in the calculations pertaining to Maximum Cumulative Disbursements Amount notwithstanding its subsequent removal. A Guaranteed Party shall promptly notify USAID by written notice of its decision to remove any Qualifying Loans from coverage.

(c) **No Reinstatement of Coverage.** No Qualifying Loan removed from the coverage of the Guarantee may be placed again under coverage.

For the avoidance of doubt, any removal of a Qualifying Loan from the Guarantee, whether by USAID under Section 3.03(a) or by a Guaranteed Party under Section 3.03(b), shall not affect the coverage under the Guarantee of any other Qualifying Loan owing to such removal.

Article IV: Guarantee Fees

Section 4.01. **Guarantee Fees.** In consideration for the Guarantee, each Guaranteed Party shall pay to USAID the following non-refundable fees (the “**Guarantee Fees**”):

(a) **Origination Fee.**

- (i) No later than thirty (30) days after the date of the Agreement, WLB Asset II Pte Ltd shall pay to USAID a one-time Origination Fee of seventy thousand eight hundred U.S. Dollars (US\$70,800) (the “**First Origination Fee**”).
- (ii) No later than (365) days after the payment of the First Origination Fee, WLB Asset II B Pte Ltd shall pay (0.30%) of its Maximum Cumulative Disbursements Sub-Amount (taking into account any reallocations) on that date (the “**Second Origination Fee**”).
- (iii) No Later than (365) days after the payment of the Second Origination Fee, WLB Asset II C Pte Ltd shall pay (0.30%) of its Maximum Cumulative Disbursements Sub-Amount (taking into account any reallocations) on that date (the “**Third Origination Fee**”).
- (iv) No Later than (365) days after the payment of the Third Origination Fee, WLB Asset II D Pte Ltd shall pay (0.30%) of its Maximum Cumulative Disbursements Sub-Amount (taking into account any reallocations) on that date (the “**Fourth Origination Fee**”).

No Qualifying Loan may be placed under coverage by the relevant Guaranteed Party until its Origination Fee is paid in full. In addition, if at any time a Guarantee Party increases its Maximum Cumulative Disbursements Sub-Amount, it shall pay an additional corresponding Origination Fee of (0.30%) on the amount of such increase, no later than thirty (30) days after the date of such increase. However, if such increase in the Maximum Cumulative Disbursements Sub-Amount of a Guaranteed Party results from a reallocation of a portion of the Maximum Cumulative Disbursements Sub-Amount from another Guaranteed Party (pursuant to Section 4 of the Term Sheet, or otherwise) and that other Guaranteed Party has previously paid an Origination Fee that reflected such amount, then no additional Origination Fee shall be payable under this Section.

(b) **Utilization Fee.** Each Guaranteed Party shall pay to USAID the Utilization Fee, as specified in Section 21(b) of the Guarantee Term Sheet, with respect to each Guarantee Reporting Period. The Utilization Fee shall be due no later than thirty (30) days after receipt of a Notice of Due Payment.

Section 4.02. **Failure to Pay Guarantee Fees.** If either the Origination Fee or the Utilization Fee is not paid as and when due and payable, USAID may, upon written notice to the applicable Guaranteed Party, terminate or suspend (and subsequently terminate at its discretion) the Agreement pursuant to Section 12.02 of the Standard Terms and Conditions.

Section 4.03. **Currency of Guarantee Fee Payments.** Payments of amounts owing to USAID under this Article IV shall be made in the Currency of Guarantee Fee Payments. With respect to the Origination Fee,

if it is to be paid in Local Currency, in no event shall the amount paid to USAID be less than US\$300,000 using the Embassy Exchange Rate.

Article V: Claim Procedures

Section 5.01. **Claim Requirements.** With respect to each Guaranteed Party, no claim relating to the Guaranteed Party's losses in connection with a Qualifying Loan shall be honored by USAID unless the Guaranteed Party certifies to USAID, and USAID thereafter reasonably determines, that each of the following requirements has been met:

(a) as a consequence of a default that results in non-payment by a Qualifying Borrower under any Qualifying Loan (such borrower, a "**Defaulting Borrower**"), the total outstanding principal amount of the applicable Qualifying Loan has become immediately due and payable, and the Guaranteed Party has made a written demand upon the Defaulting Borrower for full payment of all amounts due and payable;

(b) Reasonable Collection Efforts have been diligently pursued against the Defaulting Borrower and any other entity that may be liable on the Qualifying Loan, in accordance with Applicable Law and applicable standard banking practices in the jurisdiction of the applicable Qualifying Borrower. In order to ensure that Reasonable Collection Efforts have been diligently pursued, no claim shall be submitted earlier than ninety (90) days after the written final demand for full payment under the Qualifying Loan has been made by the applicable Guaranteed Party against the Defaulting Borrower; and

(c) after such Reasonable Collection Efforts, the Guaranteed Party has either (i) certified to USAID that it has written off the entire outstanding balance (including principal and interest) of the Qualifying Loan as a bad debt expense, or (ii) certified to USAID that it (A) is unable, because of a legal impediment or significant impracticality, to take the action described in 5.01(c)(i), and (B) has established a specific provision of funds (which is evidenced on its balance sheet or income statement) for possible loan losses associated with the default by the Defaulting Borrower, and the amount of such provision equals or exceeds twenty percent (20%) of the amount of defaulted principal.

Section 5.02. **Submission of Claim.** The applicable Guaranteed Party shall make a claim with respect to any Qualifying Loan by submitting to USAID a claims form in the format set forth in Appendix 1 (*Request for Payment of Claim*) and Appendix 2 (Summary Request for Payment of Claim) for each such Qualifying Loan, as applicable. The applicable Guaranteed Party shall also provide (i) borrower's statement(s), (ii) copies of demand letters, (iii) proof of disbursement of such Qualifying Loan, (iv) proof of requirements in Section 5.01(c) and (v) and each other document required in Appendix 1 or Appendix 2 as applicable Guaranteed Party against the Defaulting Borrower. In order to ensure that claims are submitted in a timely manner, no claim shall be submitted later than the Final Date for Submitting Claims; provided, however, that no claim may be submitted to USAID if the date of such demand for payment occurs after the suspension (during the period such suspension is in effect) or termination of coverage pursuant to Section 12.02 (*Termination or Suspension by USAID for Cause*) or Section 4.02 (*Failure to Pay Guarantee Fees*).

Section 5.03. **Approval of Claim for Payment.** USAID reserves the right to request further documentation or clarification of any claim submitted prior to approving a claim for payment, including, but not limited to evidence of other loans to the same Defaulting Borrower which are in default and not covered under this Agreement and evidence of the collection and recovery efforts undertaken by the Guaranteed Party pursuant to Section 5.01 (a) and (b). A claim will be denied if USAID reasonably determines that: (a) the requirements stated in Sections 5.01 and 5.02 above have not been fully satisfied; or (b) the Loan did not qualify as a Qualifying Loan. Neither approval nor payment of a claim shall be deemed to waive USAID's right to contest such claim subsequently on these or any other grounds.

Section 5.04. **Payment of Claim.** In order for USAID to approve a claim for payment, the claim must meet the requirements set forth in Section 5.01 and be submitted in accordance with the procedures set forth in Sections 5.01 and 5.02. Upon approval of a claim for payment by USAID and subject to the Guarantee Ceiling, USAID shall pay to the applicable Guaranteed Party the approved amount of the claim

in the Currency of Guarantee Payment. USAID shall have the right to reduce the amount of payment of any claim by the amount of any unpaid Guarantee Fees.

Section 5.05. **Repayment.**

- (a) Notwithstanding any other provision of the Agreement, USAID shall have no obligation to make payment to a Guaranteed Party for any loss arising out of gross negligence, fraud or misrepresentation by a Guaranteed Party or the Facility Manager or for any claim that is otherwise illegal, invalid or materially inconsistent with the provisions of the Agreement.
- (b) USAID reserves the right to demand a refund of any payment made to a Guaranteed Party if, prior to or at the time such payment was made, the applicable Guaranteed Party, the Facility Manager or any Key Individual was convicted of a narcotics offense or was engaged in drug trafficking as defined in Part 140 of Title 22 of the United States Code of Federal Regulations and/or the applicable Guaranteed Party, the Facility Manager or any of the individuals named in Section 8.16 is found to be in violation of the Foreign Corrupt Practices Act and/or other applicable anti-corruption violations set forth at Section 8.16.
- (c) If, subsequent to paying any claim made by a Guaranteed Party, USAID determines that either subsection (a) or (b) above applies, such Guaranteed Party shall, upon the request of USAID, refund immediately to USAID the appropriate amount of the payment obtained plus, if USAID so requests, pay interest accruing from the date of the payment at the rate of one percent (1%) per month.

Article VI: Post-Claim Recoveries

Section 6.01. **Duty to Pursue Collection.** The applicable Guaranteed Party and/or the Facility Manager shall continue to diligently pursue all Reasonable Collection Efforts (at its own cost) against the Defaulting Borrower for so long as commercially reasonable and in accordance with such Guaranteed Party's standard collections procedures and policies.

Section 6.02. **Recovery of Funds.** Any funds that applicable Guaranteed Party receives or recovers relating to or in satisfaction of amounts owed by the Defaulting Borrower under the Qualifying Loans, whether received or recovered directly from the Defaulting Borrower, another guarantor, insurer, a collateral agent or any other party, before or after such Guaranteed Party files a claim are defined as "**Recovered Funds.**" "**Net Recovered Funds**" is defined as Recovered Funds less reasonable and documented expenses actually incurred by a Guaranteed Party and/or the Facility Manager in its collection efforts. Any funds that a Guaranteed Party receives or recovers relating to or in satisfaction of amounts owed by the Defaulting Borrower under any other loan made by such Guaranteed Party to a Defaulting Borrower, whether received or recovered directly from the Defaulting Borrower, another guarantor, insurer, a collateral agent or any other party, before or after such Guaranteed Party files a claim are defined as "**Other Recovered Funds.**" Together, Recovered Funds and Other Recovered Funds are defined as "**Total Recovered Funds.**" "**Net Total Recovered Funds**" is defined as Total Recovered Funds less reasonable and documented expenses actually incurred by the applicable Guaranteed Party in its collection efforts.

Section 6.03. **Reimbursement of USAID.** If USAID has paid a claim with respect to a Qualifying Loan, the applicable Guaranteed Party shall promptly reimburse USAID its *pro rata* portion of recoveries. If such Guaranteed Party has made one loan to the Defaulting Borrower, the amount that such Guaranteed Party shall reimburse USAID is a *pro rata* portion of the Net Recovered Funds (which, for the avoidance of doubt, is the Guarantee Percentage of Net Recovered Funds). If the applicable Guaranteed Party has made more than one loan to the Defaulting Borrower, the amount that such Guaranteed Party shall reimburse USAID is a *pro rata* portion of Net Total Recovered Funds (unless otherwise required by specific collateral arrangements already in place as of the date of this Agreement). For the avoidance of doubt, this *pro rata* portion is equal to Net Total Recovered Funds multiplied by the amount of the claim paid to the applicable Guaranteed Party divided by the total outstanding principal of the loans made by the applicable Guaranteed Party to the Defaulting Borrower. Payments made to USAID under this section shall be made in the Currency of Guarantee Payment and must be paid within ninety (90) calendar days from the date of recovery. USAID shall have the right to charge interest at the rate of one percent (1%) per month on any amount not paid to USAID within this ninety (90) day period.

Section 6.04. **Certificate of Post-Claim Recoveries.** Following the payment of any claim under the Agreement, the applicable Guaranteed Party shall deliver to USAID a Certification of Post-Claim Recoveries, substantially in the form set forth in Appendix 4 (*Certification of Post-Claim Recoveries*), for each calendar year. USAID may refuse to pay any future claims of a Guaranteed Party if such Guaranteed Party has failed to submit an accurate Certification of Post-Claim Recoveries as required by the preceding sentence. In addition, following the Coverage Expiration Date, such Guaranteed Party shall continue to submit, on an annual basis, a Certification of Post-Claim Recoveries, substantially in the form set forth in Appendix 4 (*Certification of Post-Claim Recoveries*), no later than ninety (90) days after the end of each calendar year until three (3) years after the Coverage Expiration Date or longer if so requested by USAID. Each Guaranteed Party further agrees to comply with reasonable requests from USAID concerning post-claim recoveries, including any request to submit an annual or semi-annual schedule of net recoveries with respect to each Defaulting Borrower.

Section 6.05. **Assignment of Claim.** At any time, on or after the date USAID pays a claim in accordance with the terms of this Agreement, upon USAID's request, a Guaranteed Party shall execute an assignment to USAID or USAID's designee, in form and substance acceptable to USAID or USAID's designee, of such Guaranteed Party's rights to receive the share of net recoveries due to USAID and/or to pursue collection of USAID's *pro rata* share of net recoveries under each Qualifying Loan.

Article VII: Conditions Precedent

Section 7.01. **Guaranteed Parties' Conditions Precedent.** Notwithstanding anything in the Agreement to the contrary, USAID's obligation to enter into this Agreement and provide the Guarantee hereunder is subject to USAID receiving the following from each Guaranteed Party and USAID notifying such Guaranteed Party in writing that the materials and information supplied are in form and substance satisfactory to USAID:

- (i) **Conditions Precedent to Signing:** Concurrently with the signing of this Agreement, the following conditions shall be fulfilled:
 - (a) A copy of the fully executed Agreement signed by the Guaranteed Parties, the Facility Manager and USAID.
 - (b) A certificate of each Guaranteed Party, dated as of the date of the Agreement and in form and substance satisfactory to USAID, as to the authority of the persons signing the Agreement and any appendices hereto on behalf of such Guaranteed Party.
 - (c) An Officer's Certificate from a senior officer or director of each Guaranteed Party certifying that the representations contained in Article VIII are true and complete with respect to such Guarantee Party.
- (ii) **Conditions Precedent to Effectiveness:** Unless otherwise stated, within thirty (30) days from the date of this Agreement, the following conditions shall be fulfilled:
 - (a) A legal opinion(s) (from qualified outside and/or in-house counsel in good standing) stating in effect that, based on facts and circumstances (and/or documents) presented to such legal counsel by the Guaranteed Parties, the representations contained in Sections 8.01 through 8.04 of Article VIII are true and complete.
 - (b) A description of the Guaranteed Party's policies and procedures, which have been approved in writing by USAID, to ensure that projects financed by the Guaranteed Party are environmentally sound and comply with Applicable Law and any USAID specific requirements.
 - (c) Each Guaranteed Party must provide USAID a Certification regarding Narcotics Offenses and Drug Trafficking, for each Key Individual, in the form of Appendix 6 (*Key Individual Certification*).
 - (d) Within ninety (90) days from the date of the Agreement, payment of the First Origination Fee pursuant to Section 4.01(a)(i) of the Agreement
 - (e) Written confirmation from the Facility Manager that, to the extent that any Loan to be placed under coverage as a Qualifying Loan had been previously funded using bridge financing provided by DBS Bank, Global Affairs Canada or any other third party lender, such bridge funding with respect to such Loan has been (or, prior to the Loan being placed under coverage, will be) repaid in full or otherwise satisfied in full.
 - (f) Such other documents or conditions as may be reasonably requested by USAID.

Section 7.02. **Conditions Precedent for WLB Asset II B Pte Ltd.** Prior to WLB Asset II B Pte Ltd placing any Loan under coverage, the following condition shall be fulfilled with respect to the Second Origination Fee:

- (i) Payment of the Second Origination Fee pursuant to Section 4.01(a)(ii) of the Agreement.

Section 7.03. **Conditions Precedent for WLB Asset II C Pte Ltd.** Prior to WLB Asset II C Pte Ltd placing any Loan under coverage, the following conditions shall be fulfilled with respect to the Third Origination Fee:

- (i) Payment of the Third Origination Fee pursuant to Section 4.01(a)(iii) of the Agreement

Section 7.04. **Conditions Precedent for WLB Asset II D Pte Ltd.** Prior to WLB Asset II D Pte Ltd placing any Loan under coverage, the following conditions shall be fulfilled with respect to the Third Origination Fee:

- (i) Payment of the Fourth Origination Fee pursuant to Section 4.01(a)(iv) of the Agreement

Section 7.04. **Facility Manager Conditions Precedent and Subsequent.** Notwithstanding anything in the Agreement to the contrary, USAID's obligation to enter into this Agreement and provide the Guarantee hereunder is subject to USAID receiving the following from the Facility Manager and USAID notifying the Facility Manager in writing that the materials and information supplied are in form and substance satisfactory to USAID:

- (i) **Conditions Precedent to Signing:** Concurrently with the signing of this Agreement, the following conditions shall be fulfilled:
 - (a) A certificate of the Facility Manager, dated as of the date of the Agreement and in form and substance satisfactory to USAID, as to the authority of the persons signing the Agreement and any appendices hereto on behalf of the Facility Manager.
 - (b) An Officer's Certificate from a senior officer of the Facility Manager certifying that the representations contained in Article VIII are true and complete with respect to the Facility Manager.
- (ii) **Conditions Precedent to Effectiveness:** Within thirty (30) days from the date of this Agreement, the following conditions shall be fulfilled:
 - (a) A legal opinion (from qualified outside or in-house counsel in good standing) stating in effect that, based on facts and circumstances (and/or documents) presented to such legal counsel by the Facility Manager, the representations contained in Sections 8.01 through 8.04 of Article VIII are true and complete with respect to the Facility Manager.
 - (b) The Facility Manager must provide USAID a Certification regarding Narcotics Offenses and Drug Trafficking, for each Key Individual, in the form of Appendix 6 (*Key Individual Certification*).
 - (c) Such other documents or conditions as may be reasonably requested by USAID.

For the avoidance of doubt, the Parties acknowledge and agree that the Guarantee shall not be effective and no Qualifying Loan shall be eligible for coverage under the Guarantee as to that Guaranteed Party until each of the Conditions Precedent in Sections 7.01 through 7.04 for that Guaranteed Party and the Facility Manager has been satisfied to USAID's satisfaction (or waived by USAID) in accordance with the terms and conditions herein.

Article VIII: Representations and Warranties

For purposes of the Agreement, each Guaranteed Party and the Facility Manager hereby represents and warrants, as to itself only (except with respect to Section 8.19 below), as of the date hereof, as of the date the Qualifying Loan is entered into and at the end of each Guarantee Reporting Period, in each case by reference to the facts and circumstances existing at such date, that:

Section 8.01. **Organization, Existence.** It is duly organized and validly existing where incorporated or chartered. It has full power, authority and legal right to (i) carry out its business as currently conducted, (ii) execute, deliver and perform the Agreement and all other documents which the Agreement contemplates will be executed by it and (iii) carry out all the activities which the Agreement contemplates will be carried out by it.

Section 8.02. **Authorization, Binding Effect.** The execution, delivery and performance of the Agreement by it have been duly authorized by all necessary actions of the Guaranteed Party and the Facility Manager, and the Agreement constitutes its legal, valid and binding obligation enforceable in accordance with its terms.

Section 8.03. **No Conflict.** Neither the entry into the Agreement nor the compliance with its terms will conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default or require any consent under, any instrument or arrangement to which it is a party or by which it is bound, or violate any of the terms or provisions of its organizational documents, any judgment, decree or order or any Applicable Law.

Section 8.04. **Governmental Approvals.** No approval, consent, registration, filing, agreement, certificate, permit, authority or exemption of any kind is required from any governmental authority in order for it to enter into the Agreement and perform its duties, except such as have already been obtained and are in full force and effect.

Section 8.05. **Debarment Status.** For the three (3) years preceding the date of the Agreement it has not been on any list of ineligible or debarred suppliers or firms maintained by the U.S. Government. A list of organizations suspended or debarred by the U.S. Government is available at www.SAM.gov.

Section 8.06. **No Amendments to Charter.** Its organizational documents have not been amended since September 30, 2015, with respect to the Facility Manager, September 4, 2019 with respect to WLB Asset II Pte Ltd and July 15, 2019, with respect to WLB Asset II B Pte Ltd, WLB Asset II C Pte Ltd, and WLB Asset II D Pte Ltd.

Section 8.07. **Compliance with Law.** It is in compliance in all material respects with all Applicable Law.

Section 8.08. **Litigation and Insolvency.** (A) There are no pending legal, arbitration, or governmental actions or proceedings to which it is a party or to which any of its property is subject which, if adversely determined, could have a Material Adverse Effect; and to the best of its knowledge, no such actions or proceedings are threatened or contemplated. (B) No Insolvency Event affecting it has occurred or is threatened or contemplated.

Section 8.09. **Financial Statements; No Material Adverse Change; Etc.** All financial statements submitted by it (or on its behalf by the Facility Manager) to USAID in connection with this Agreement fairly and fully present its financial condition and the results of its operations for the periods covered thereby and are prepared in accordance with accounting standards recognized in Singapore consistently applied. Since the dates thereof, there has been no material adverse change in its the financial condition or operations.

Section 8.10. **Defaults Under Other Agreements.** It is not in default under any agreement or instrument to which it is a party or under which any of its properties are subject that is material to its financial condition, operations, properties, profits, or business.

Section 8.11. **Pari Passu.** Payment obligations under any Qualifying Loan covered under this Agreement constitutes the direct, general and unconditional obligations of the Qualifying Borrower and rank in all respects at least *pari passu* in priority of payment and in right of security with the payment obligations of all other unsecured and unsubordinated debt of such Qualifying Borrower.

Section 8.12. **Disclosure of Lobbying Activities.** No registered lobbyists have made lobbying contacts on behalf of any Guaranteed Party or the Facility Manager in connection with the Agreement.

Section 8.13. **Drug Trafficking.** It : (1) has not been convicted of a violation of, or a conspiracy to violate, any law or regulation of the United States or any other country concerning narcotic or psychotropic drugs or other controlled substances; (2) is not or has not been an illicit trafficker in any such drug or controlled substance; and (3) is not or has not been a knowing assistor, abettor, conspirator, or colluder with others in the illicit trafficking in any such drug or substance.

Section 8.14. **Trafficking in Persons.** It has not been involved in any activities which relate to trafficking in persons, forced labor, the practice of prostitution or sex trafficking.

Section 8.15. **Terrorism.**

(a) It and any entity owned or controlled by it, to the best of its current knowledge, is in compliance with all United States sanctions laws and regulations applicable to it. It, to the best of its current knowledge, did not provide, within the previous ten years, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts.

(b) Notwithstanding any other provision of the Agreement, loans to any such individuals or entities described in the first sentence of paragraph (a) above are not eligible for coverage under the Agreement and USAID shall have no obligation to pay claims in connection with any such loans, including loans to individuals or entities that:

(i) appear on the master list of Specially Designated Nationals and Blocked Persons, which list is maintained by the U.S. Treasury's Office of Foreign Assets Control (OFAC) and is available online at OFAC's website: <http://www.treasury.gov/resource-center/sanctions/Pages/default.aspx>;

(ii) appear on any list of supplemental information concerning prohibited individuals provided by USAID to the Parties; and/or

(iii) have been designated by the United Nations Security Council UNSC (the "Security Council") sanctions committee as individuals and entities subject to sanctions measures imposed by the Security Council. To determine whether there has been a published designation of an individual or entity by the Security Council, the Guaranteed Party and Facility Manager should refer to the consolidated list available online at the Committee's website: <https://www.un.org/sc/suborg/en/sanctions/un-sc-consolidated-list>.

The representations in this Section 8.15 will not be deemed applicable to material support or resources provided by the Guaranteed Parties or any entity owned or controlled by it pursuant to an authorization contained in one or more applicable licenses issued by the U.S. Treasury's Office of Foreign Assets Control (OFAC).

Section 8.16. **FCPA Compliance.** Without limiting any other provision of this Article VIII, its internal management and accounting practices and controls are adequate to ensure compliance with the United States Foreign Corrupt Practices Act and/or any other Applicable Law, regulation, order, decree or directive having the force of law and relating to bribery, kick-backs or similar business practices. Each Guaranteed Party, the Facility Manager and each of its officers, directors, owners, partners, agents, key

employees, other persons with primary management or supervisory responsibilities individually and affiliates are otherwise, to the best of their current knowledge in full compliance with the United States Foreign Corrupt Practices Act and/or any other Applicable Law, regulation, order, decree or directive having the force of law and relating to bribery, kick-backs or similar business practices. Neither a Guaranteed Party nor the Facility Manager shall knowingly provide material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in corrupt practices, or has committed, attempted to commit, facilitated, or participated in such practices.

Section 8.17. **Other U.S. Government Agreements.** It has not entered into any other guarantees and/or financing agreements with any other U.S. government agency and/or entity and no Qualifying Loan is subject to coverage by any other guarantees and/or financing agreements with any other U.S. government agency and/or entity.

Section 8.18. **No Material Omissions.** None of the representations and warranties in this Section 8 omits any matter the omission of which makes any representations and warranties misleading in any material respect.

Section 8.19. **Termination Event.** No Termination Event has occurred and is continuing.

Section 8.20. **Additionality.** It would not have entered into the Qualifying Loans on the terms set out therein without the existence of the Guarantee.

Section 8.21. **Insurance.** It maintains insurance policies of a type and up to the limits typically held by similarly situated institutions carrying out equivalent business as it is and has paid all related due and payable premiums.

Section 8.22. **USAID Reliance.** It acknowledges that it makes these representations and warranties with the intention of inducing USAID to enter into this Agreement and that USAID enters into this Agreement on the basis of, and in full reliance on, each of such representations and warranties.

Article IX: Reporting and Records Requirements

Section 9.01. **Semi-Annual Portfolio Reporting.** No later than thirty (30) days after the end of each Guarantee Reporting Period, each Guaranteed Party shall provide to USAID the “Loan Schedule” through CMS in effect on the last day of such Guarantee Reporting Period.

Section 9.02. **Annual Financial Reporting.** Each Guaranteed Party and the Facility Manager shall prepare annual audited financial statements in accordance with accounting standards generally recognized in Singapore, which shall be audited by a firm of independent public auditors acceptable to USAID, and shall submit such audited financial statements to USAID no later than ninety (90) days after the end of each Guaranteed Party’s and the Facility Manager’s fiscal years through the term of this Agreement.

Section 9.03. **Borrower Documents.** At USAID’s request, the Guaranteed Parties shall provide to USAID copies of all documents and reports provided by a Qualified Borrower to the Guaranteed Parties under the Qualifying Loan.

Section 9.04. **Other Reporting.** USAID reserves the right to carry out (at its own expense), or to have carried out, such additional audits, financial reviews, or evaluations as it considers appropriate in view of its status as guarantor, including audit reports on Qualifying Borrowers under Qualifying Loans. Should USAID request an audit report on any such party, each Guaranteed Party agrees that it shall use all reasonable means to require and obtain such reports from that party.

Section 9.05. **Failure to Provide Required Reports.** Should a Guaranteed Party or the Facility Manager fail to provide any reports required by the Agreement to USAID when due, no additional Qualifying Loans

of that Guaranteed Party shall be disbursed and no additional Qualifying Loans shall be placed under the coverage of the Guarantee and USAID may (i) suspend, at any time, the Guarantee and (ii) defer payment of any claims until it receives such documentation in form satisfactory to USAID or terminate the Guarantee pursuant to Section 11.01(a).

Section 9.06. **Books and Records.** Each Guaranteed Party and the Facility Manager shall:

(a) Maintain or cause to be maintained, in accordance with accounting standards generally recognized in Singapore consistently applied, books and records relating to each Qualifying Loan covered by the Agreement, which are adequate to show compliance with the terms of the Agreement. Such books and records will be maintained with respect to each Qualifying Loan, except as USAID may otherwise agree in writing, for a period of three (3) years after the Final Date for Submitting Claims with respect to such Qualifying Loan.

(b) Afford authorized representatives of USAID the opportunity at all reasonable business hours to inspect such books, records and other documents and files relating to the Agreement and the Qualifying Loans covered by the Agreement.

(c) Promptly make available such other information and records relevant to the Agreement and the Qualifying Loans covered by the Agreement as USAID may reasonably request, including onsite inspections.

Section 9.07. **Impact Data.** USAID may request that each Guaranteed Party and the Facility Manager prepare and provide responses to an annual guarantee impact data request, which details impact indicators and impact data, in form and substance to be agreed to with USAID prior to such responses being due. Responses to such impact data request shall be due on an annual basis on the date set out in the request from USAID, which shall not be less than 90 days from the date of the request.

Article X: Covenants

For purposes of the Agreement, each Guaranteed Party and the Facility Manager makes the following covenants (in each case, as to itself only):

Section 10.01. **Existence; Conduct of Business.** It shall maintain its corporate existence, comply with its organizational documents and qualify and remain qualified to do business in Singapore.

Section 10.02. **Future Disclosure.** It shall inform USAID in a timely manner of any facts and circumstances of which it has actual knowledge that arise after the date of the Agreement and materially affect the Agreement or the discharge of obligations under the Agreement, or the truth and accuracy of any of the representations made in Article VIII.

Section 10.03. **Approvals; Applicable Law.** It shall obtain in a timely manner and maintain in force all approvals that are necessary for it to carry out its obligations under the applicable Qualifying Loans or this Agreement and shall comply in all material respects with Applicable Law the failure to comply with which could, or is likely to have a Material Adverse Effect.

Section 10.04. **Change of Control; Non-Sovereign Enterprise.** It acknowledges that USAID is entering into the Agreement partly because it considers the Guaranteed Parties and the Facility Manager to be good risk-sharing partners. To ensure that each Guaranteed Party and the Facility Manager remains a good risk-sharing partner, in the event of a contemplated Change of Control with respect to any Guaranteed Party or the Facility Manager, it shall provide USAID with at least 30 days' notice prior to the Change of Control. Each Guaranteed Party and the Facility Manager further acknowledges that USAID is entering into the Agreement to encourage private sector financing in the Eligible Countries and consequently, each Guaranteed Party and the Facility Manager shall remain a private, Non-Sovereign Enterprise, with no less than eighty percent (80%) of its equity held by the private sector.

Section 10.05. **Material Adverse Change.** It shall promptly notify USAID of any of the following (each, a “**Material Adverse Change**”):

- (a) a material change in its lending policies;
- (b) increases in non-performing loans (NPLs) by greater than fifty percent (50%) from the level of NPLs reflected in the most recent audited financial statements;
- (c) reductions in capital adequacy to a level below what is required by the Central Bank in Singapore (if any such requirement exists); or
- (d) a change in Applicable Law that has a Material Adverse Effect.

Section 10.06. **Pari Passu.** It shall ensure that the payment obligations of all Qualifying Loans covered under this Agreement will at all times constitute the direct, general and unconditional obligations of a Qualifying Borrower and rank in all respects at least *pari passu* in priority of payment and in right of security with the payment obligations of all other unsecured and unsubordinated debt of such Qualifying Borrower. No Qualifying Loan guaranteed hereunder shall at any time be subordinated to another debt contracted by a Qualifying Borrower or to any other claims against a Qualifying Borrower in case of a default under the Qualifying Loan.

Section 10.07. **USG Transactions.** It shall notify USAID of any guarantees and/or other financing agreements that it currently has with any other U.S. government agencies and/or entities. It shall in no event enter into any such transactions during the term of this Agreement without prior written approval from USAID.

Section 10.08. **Arm’s Length Transactions.** It shall not enter into any transaction with a Qualified Borrower except in the ordinary course of business on the basis of arm’s length arrangements. This shall mean that the parties to the transaction are independent of each other, that no party has majority ownership or effective control of the other and that the terms of the transaction are consistent with common commercial terms for such a transaction between independent, disinterested parties.

Section 10.09. **Utilization.** It shall consult with USAID concerning any matters that interfere with the adequate utilization of the Agreement, including any changes in circumstances that prevent a Guaranteed Party from making a Qualifying Loan.

Section 10.10. **Purpose of Qualifying Loan.** If it learns that a Qualifying Borrower is not using the proceeds of its Qualifying Loan for the purpose stated in Part A of the Guarantee Term Sheet, it shall promptly inform USAID.

Section 10.11. **Terrorism.** It shall in no event knowingly provide material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts. It shall take all reasonable steps to ensure that none of the loans it seeks to place under coverage of the Guarantee will be made to any such individual or entity, including considering all information about the prospective borrower of which it is aware and all public information that is reasonably available to it or of which it should be aware.

Section 10.12. **Loan Management.** It shall manage all Qualifying Loans in the same manner as it manages non-guaranteed loans on its books.

Section 10.13. **Lobbying.** No registered lobbyists shall make lobbying contacts on behalf of a Guaranteed Party or the Facility Manager in connection with the Agreement unless it complies with the requirements of 31 USC 1352(b) and any other applicable U.S. law.

Section 10.14. **Third Party Guarantees.** The Guaranteed Parties and the Facility Manager shall seek USAID's prior written consent prior to any issuance of a guarantee from the Credit Guarantee and Investment Facility, a Trust Fund of the Asian Development Bank, or any other third party, which would be for the benefit of investors of the bond issuances noted in the Purpose Section of the Guarantee Term Sheet.

Article XI: Termination Events

Section 11.01. **Termination Events.** It shall be a "Termination Event" if USAID determines, in its reasonable discretion that:

- (a) a Guaranteed Party or the Facility Manager has committed a material breach of the Agreement (other than of terms of the Agreement referred to in clauses (b), (c) and (d) of this Section 11.01);
- (b) a Guaranteed Party has failed to pay when due the Guarantee Fees in accordance with Section 4.02 (*Failure to Pay Guarantee Fees*), and such failure continues for a period of ten days after the date on which such failure occurred ;
- (c) a Guaranteed Party has failed to reimburse USAID in accordance with Section 6.03 (*Reimbursement of USAID*), and such failure continues for a period of ten days after the date on which such failure occurred;
- (d) a Guaranteed Party shall have failed to provide any report or document or maintain any book or record, in each case in compliance with Article IX of this Agreement, and such failure continues for a period of ten days after the date on which such failure occurred;
- (e) a Guaranteed Party or the Facility Manager has engaged in gross negligence, fraud or misrepresentation which, in the case solely of a misrepresentation, could be reasonably expected to result in an adverse effect in any material respect on USAID;
- (f) an Insolvency Event has occurred;
- (g) any one or more events, conditions or circumstances occurs or exists that, alone or taken together, results in or could reasonably be expected to result in a Material Adverse Change;
- (h) a Guaranteed Party has not made any Qualifying Loans on or prior to September 30, 2020;
- (i) a Change of Control has occurred without USAID's written consent, which consent shall not be unreasonably withheld; or
- (j) a Guaranteed Party, the Facility Manager or any of the Key Individuals is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in Part 140 of Title 22 of the United States Code of Federal Regulations.

Article XII: Termination and Reduction

Section 12.01. **Term.** Unless terminated at an earlier date by USAID or a Guaranteed Party in accordance with the terms and conditions herein, the Agreement shall terminate on the Coverage Expiration Date, provided that such termination on the Coverage Expiration Date will not (i) relieve USAID of its obligations under the Agreement with respect to claims submitted prior to the Final Date for Submitting Claims or (ii) relieve any Guaranteed Party of its obligations hereunder, under Section 6.02 (*Reimbursement of USAID*) and Section 6.03 (*Certificate of Post-Claim Recoveries*).

Section 12.02. **Termination or Suspension by USAID for Cause.** USAID may terminate or suspend the Agreement at any time by written notice to the Parties upon the occurrence of any Termination Event. Any termination or suspension by USAID pursuant to this Section 12.02 shall be based on USAID's reasonable opinion and reasonable discretion as to the severity and relevance of the alleged breach, and USAID may elect either to continue or to cancel coverage of any then-outstanding Qualifying Loans; provided,

however, that, termination or suspension of the Agreement pursuant to Sections 11.01(f), (g) or (i) shall not affect the validity or enforceability of the Agreement on the portions of the Qualifying Loans that have been disbursed prior to such Termination Event.

Section 12.03. **Termination or Suspension for Convenience.** USAID may terminate or suspend the Agreement at its convenience at any time and for any reason by written notice to the Parties. It is understood that USAID does not expect to exercise this right unless the continuation of the Agreement would not be in the foreign policy interests of the United States or would be in violation of Applicable Law. Any termination or suspension for convenience by USAID pursuant to this Section 12.03 shall not affect the validity or enforceability of the Agreement on the portions of the Qualifying Loans that have been disbursed prior to the date of such termination or suspension; provided, however, that USAID shall in no event be required to pay a claim to the extent that it is unlawful in any applicable jurisdiction, or contrary to any law, regulation or official sanction to which USAID may from time to time be subject.

Section 12.04. **Survival of Certain Obligations.** Notwithstanding any other provision of the Agreement, the obligations of a Guaranteed Party with respect to any unpaid payment obligation under this Agreement, including all outstanding fees, incurred prior to the date of any termination or suspension of the Agreement, and the obligations of such Guaranteed Party with respect to Sections 5.05 (*Repayment*), 6.03 (*Reimbursement of USAID*) and Section 6.04 (*Certificate of Post-Claim Recoveries*) shall survive any termination or suspension of the Agreement.

Section 12.05. **Termination or Removal of a Guaranteed Party.** If a Guaranteed Party is no longer a Party to this Agreement, the Agreement does not automatically terminate as to any remaining Parties (unless otherwise notified in writing by USAID). In such event, the rights and obligations of any other remaining Party shall not be affected.

Article XIII: Miscellaneous

Section 13.01. **English Language.**

- (a) The Agreement is prepared in English only.
- (b) All documents to be provided or communications to be given or made under this Agreement shall be in the English language, unless otherwise agreed by USAID in writing.
- (c) To the extent that the original version of any document to be provided, or communication to be given or made, under this Agreement is in a language other than English, that document or communication shall (unless otherwise agreed to in writing by USAID) be accompanied, at the cost and expense of the applicable Guaranteed Party or the Qualifying Borrower, by an English translation certified by an authorized representative acceptable to USAID to be a true and correct translation of the original.

Section 13.02. **Notices and Communications.** Any notices, requests or other communication submitted by any Party to another Party shall be in writing and shall be deemed to have been given when received by the receiving Party at the address indicated in the Guarantee Term Sheet.

Section 13.03. **Payments.** All payments by a Party shall be made in accordance with (i) the Payment Instructions indicated in the Guarantee Term Sheet with respect to payments to USAID and (ii) Appendix 1 or 2 (as applicable), with respect to a Guaranteed Party.

Section 13.04. **Exchange Rates.**

- (i) With respect to calculations of the Maximum Authorized Portfolio Amount, calculations of the Maximum Cumulative Disbursements Amount, or any other calculations (not covered in (ii) and (iii) below) under the Agreement, Local Currency /U.S. Dollar equivalencies shall be determined by using the US Treasury Exchange Rate.

- (ii) With respect to the payment of claims and calculations relating to the Guarantee Ceiling, Local Currency /U.S. Dollar equivalencies shall be determined by using (i) the Embassy Exchange Rate where there is a Local Currency Loan and Local Currency claim payment and (ii) the US Treasury Exchange Rate where there is a Local Currency Loan and a US Dollar claim payment.
- (iii) With respect to Guarantee Fees, if the Origination Fee is paid in Local Currency, the Embassy Exchange Rate shall be used to determine Local Currency/U.S. Dollar equivalencies. With respect to the Utilization Fee, in the event such (i) Guarantee Fee is to be paid in U.S. Dollars and (ii) Qualifying Loan is in Local Currency, the fee shall be calculated at the US Treasury Exchange Rate as specified in the Notice of Due Payment.

In each case, unless otherwise notified in writing by USAID to the Parties.

Section 13.05. **Full Faith and Credit.** Each guarantee obligations of USAID under the Agreement for the full payment and performance of the obligations under the Guarantee constitute full faith and credit obligations of the United States of America.

Section 13.06. **Taxation.** Each Guaranteed Party and the Facility Manager agrees to pay all taxes imposed by any government authority in Singapore and/or in any country in which a Qualifying Loan is provided, including any interest and penalties, if any, on or with respect to the Agreement, and hereby indemnifies USAID against any such taxes that may be imposed upon USAID in connection therewith. Payments of all amounts due to USAID under the Agreement shall be made free and clear of and without reduction for such taxes or similar charges or any regulatory fees, wire processing fees, or other costs incurred in Singapore in connection with such payments.

Section 13.07. **Information and Publicity.** The Parties agree to cooperate, from time to time, in exchanging information about the Agreement and its implementation and in giving appropriate and accurate publicity to the Agreement as a program to which USAID has contributed. Each Guaranteed Party and the Facility Manager acknowledges that USAID may share information regarding this Agreement within the U.S. Government.

Section 13.08. **Governing Law and Dispute Resolution.** The Agreement shall be governed by and construed in accordance with the laws of the State of New York of the United States of America. The Parties agree to use their best efforts to resolve disputes arising under the Agreement through amicable negotiations. Any disputes, controversies or claims arising between the Parties under the Agreement that cannot be resolved in negotiations between the parties shall be finally settled in accordance with the Rules of Arbitration of the International Chamber of Commerce (unless otherwise agreed upon by the Parties) in force at the date of request for arbitration, which rules are deemed incorporated by reference into this clause. Such arbitration shall take place in Washington, DC (unless otherwise agreed upon by the Parties), shall be conducted in the English language, and shall be the sole and exclusive forum for the resolution of disputes, and the decision of the arbitrator(s) shall be final and binding on the Parties. Judgment on the award may be entered in any court having jurisdiction thereof. Each Party hereby irrevocably consents to the service of process in any action or proceeding under the Agreement by mailing copies thereof to the Party's address set forth in the Guarantee Term Sheet, by recognized express courier (such as Federal Express or DHL).

In any arbitration arising under this Agreement, any Party shall be permitted to include, by consolidation, joinder or any other manner, any person or entity not a party to this Agreement if (i) such person or entity is substantially involved in a common question of fact or law, (ii) the presence of such person or entity is required if complete relief is to be accorded in the arbitration, and (iii) such person or entity has consented to such inclusion.

Section 13.09. **Conflicts.** In the event of any conflict, inconsistency or ambiguity between the terms and conditions of the Guarantee Term Sheet and the terms and conditions of the Standard Terms and Conditions, the terms and conditions of these Standard Terms and Conditions shall control.

Section 13.10. **Entire Agreement.** The Agreement constitutes the entire agreement between the Parties concerning the subject matter of the Agreement and supersedes any prior understanding or written or oral agreement.

Section 13.11. **Amendment.** Any amendment, or waiver of, or any consent given under, any provision of the Agreement shall be in writing and, in the case of any amendment, shall be signed by all Parties.

Section 13.12. **Counterparts.** The Agreement may be signed in separate counterparts each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Section 13.13. **Saving of Rights.**

(a) The rights and remedies of USAID shall not be prejudiced by any investigation by or on behalf of USAID into the affairs of a Guaranteed Party or a Qualifying Borrower.

(b) No waiver by USAID in connection with any conditions under this Agreement shall impair any right, power or remedy of USAID with respect to any other condition under this Agreement.

(c) In the event that any of the terms or provisions of this Agreement are declared invalid or unenforceable in any respect or to any extent in any jurisdiction, the remaining terms and provisions that are not effected thereby shall remain in full force and effect.

Section 13.14. **Successors and Assignees.** This Agreement binds and benefits the respective successors and assignees of the Parties; provided, however, neither a Guaranteed Party nor the Facility Manager may assign or delegate any of its rights or obligations under this Agreement without the prior written consent of USAID.

Section 13.15. **No Third Party Beneficiary.** No provision in this Agreement is intended or shall create any rights with respect to the subject matter of this Agreement in any third party.

Article XIV: Definitions

Section 14.01. **Terms.** Throughout the Agreement, terms, when capitalized, shall have the meaning assigned to them as follows:

“**Affiliate**” shall mean, with respect to any Party (other than USAID), (i) if such Party is an individual, any immediate family member of such party, any person that resides in the same home of such Party, any person that is employed by such Party or any person that receives substantial monetary or other economic assistance from such party, and (ii) in all other cases, any legal entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or under common control with, such party.

“**Agreement**” shall have the meaning ascribed to that term in Part A of the Guarantee Term Sheet.

“**Applicable Law**” shall mean all statutes, laws, treaties, rules, regulations, ordinances, approvals, codes, orders and other governmental determinations, authorizations or restrictions applicable to the Guaranteed Parties, the Facility Manager or the transactions contemplated by this Agreement.

“**Certification of Post-Claim Recoveries**” shall mean the certification in the form set out in Appendix 4.

“**Change of Control**” shall mean any of the following, in each case, with respect to a Guaranteed Party or the Facility Manager:

- (a) an acquisition by or merger with another legal entity or person;
- (b) a majority of the equity interests in a Guaranteed Party or the Facility Manager is sold to or otherwise acquired by any legal entity or person that does not own at least ten percent (10%) of the equity interests in

a Guaranteed Party or the Facility Manager as of the date of the Agreement, without prior written approval by USAID;

- (c) there is a sale of assets, individually or in the aggregate, or other transactions that results in asset reduction of greater than thirty percent (30%) of total assets immediately prior to such sales or transactions; or
- (d) a change relating to how the management and policies of the company are directed (including the composition of the board of directors) that is not provided for in the organizational documents of a Guaranteed Party or the Facility Manager or would require amendment or replacement of the organizational documents of a Guaranteed Party or the Facility Manager. For the avoidance of doubt, this does not include changes to the membership of the board of directors done through the ordinary course of business.

“**CMS**” shall mean USAID’s Credit Management System.

“**Coverage Expiration Date**” shall have the meaning ascribed to that term in Section 10 of the Guarantee Term Sheet.

“**Country Weight**” or “**CW**” shall have the meaning ascribed to that term in Section 19 of the Guarantee Term Sheet.

“**Country Weight Value**” shall have the meaning ascribed to that term in Section 20 of the Guarantee Term Sheet.

“**Currency of Guarantee Payment**” shall have the meaning ascribed to that term in Section 14 of the Guarantee Term Sheet.

“**Currency of Guarantee Fee Payment**” shall have the meaning ascribed to that term in Section 22 of the Guarantee Term Sheet.

“**days**” shall mean calendar days, unless otherwise stated in the Agreement.

“**Defaulting Borrower**” shall have the meaning ascribed to that term in Section 5.01(a) of the Standard Terms and Conditions.

“**Embassy Exchange Rate**” shall mean the rate of exchange for the conversion of U.S. Dollars to any other currency specified in the Guarantee Term Sheet, as determined by reference to the US Embassy daily exchange rate, which shall be confirmed by USAID/Indonesia on the day of any applicable payment, or such other exchange rate as determined by USAID.

“**Final Date for Disbursements of Qualifying Loans**” shall have the meaning ascribed to that term in Section 9 of the Guarantee Term Sheet.

“**Guarantee**” shall have the meaning ascribed to that term in Part A of the Guarantee Term Sheet.

“**Guarantee Ceiling**” shall have the meaning ascribed to that term in Section 7 of the Guarantee Term Sheet.

“**Guarantee Ceiling Sub Amount**” shall have the meaning ascribed to that term in Section 8 of the Guarantee Term Sheet.

“**Guarantee Fees**” shall have the meaning ascribed to that term in Section 4.01 of the Standard Terms and Conditions.

“**Guarantee Percentage**” shall have the meaning ascribed to that term in Section 6 of the Guarantee Term Sheet.

“**Guarantee Reporting Periods**” shall have the meaning ascribed to that term in Section 15 of the Guarantee Term Sheet.

“Guarantee Term Sheet” shall mean the guarantee term sheet set forth as Attachment 1 to the Agreement.

“Insolvency Event” shall mean (i) a Guaranteed Party or the Facility Manager instituting a voluntary case concerning itself, or undertaking any actions to form an arrangement with creditors for the purpose of paying its past due debts or seeking its liquidation or reorganization or moratorium of its payments; (ii) a Guaranteed Party’s or the Facility Manager’s inability to pay debts as they become due; (iii) a Guaranteed Party’s or the Facility Manager’s applying for or consent to the appointment of any liquidator, receiver, trustee or administrator for all or a substantial part of its business, or the appointment of a liquidator, receiver, trustee for a Guaranteed Party or the Facility Manager which continues undismissed, undischarged or unstayed for a period of thirty (30) days; (iv) the commencement of an involuntary case against a Guaranteed Party or the Facility Manager under bankruptcy law which is not dismissed within sixty (60) days after commencement of such case; or (v) any other event occurs which, under Applicable Law, would have an effect analogous to any of those events listed in (i) through (iv) of this definition.

“Key Individuals” shall mean, with respect to each Guaranteed Party and the Facility Manager, any officer, director, owner, partner, agent, employee, project manager or other person with primary management, administration or supervisory responsibilities, and affiliates that have decision making authority with respect to this Agreement and/or the transactions contemplated hereunder.

“Loan” shall mean, unless otherwise specified in the Guarantee Term Sheet, any type of commercial loan, excluding, however, any letter of credit, credit card debt, line of credit, overdraft or other forms of revolving debt

“Local Currency” shall mean Bangladeshi Taka, Cambodian Riel, Fiji Dollar, Indian Rupee, Indonesian Rupiah, Nepal Rupee, Papua New Guinean Kina, Philippine Peso, Solomon Islands Dollar, Sri Lankan Rupee, Thai Baht, and Vietnamese Dong.

“Loan Schedule” shall mean the loan schedule required to be submitted by the applicable Guaranteed Party in CMS as set out in Section 9.01 of the Standard Terms and Conditions.

“Material Adverse Change” shall have the meaning ascribed to that term in Section 10.05 of the Standard Terms and Conditions.

“Material Adverse Effect” shall mean a material adverse effect on (a) the business, operations, property, condition (financial or otherwise), or prospects of a Guaranteed Party or the Facility Manager, (b) the ability of a Guaranteed Party or the Facility Manager to perform its obligations under the Qualifying Loan or this Agreement, (c) the validity or enforceability of this Agreement or (d) the rights or remedies of USAID under this Agreement.

“Maximum Authorized Portfolio Amount” shall have the meaning ascribed to that term in Section 1 of the Guarantee Term Sheet.

“Maximum Country Weight Value Requirement” shall have the meaning ascribed to that term in Section 20 of the Guarantee Term Sheet.

“Maximum Cumulative Disbursements Amount” shall have the meaning ascribed to that term in Section 2 of the Guarantee Term Sheet.

“Maximum Cumulative Disbursements Sub-Amount” shall have the meaning ascribed to that term in Section 3 of the Guarantee Term Sheet.

“Maximum Cumulative Principal Amount of Qualifying Loans Per Qualifying Borrower” shall have the meaning ascribed to that term in Section 5 of the Guarantee Term Sheet.

“Net Recovered Funds” shall have the meaning ascribed to that term in Section 6.02 of the Standard Terms and Conditions.

“Net Total Recovered Funds” shall have the meaning ascribed to that term in Section 6.02 of the Standard Terms and Conditions.

“Non-Sovereign Enterprise” shall mean any business or enterprise that a sovereign government does not own a greater than 20% interest in.

“**Notice of Due Payment**” shall mean a notice sent to a Guaranteed Party and specifying the amount of Utilization Fees that are then due and payable under the Agreement.

“**Origination Fee**” shall have the meaning ascribed to that term in Section 21(a) of the Guarantee Term Sheet.

“**Other Recovered Funds**” shall have the meaning ascribed to that term in Section 6.02 of the Standard Terms and Conditions.

“**Percentage of the Total Qualifying Value Guaranteed by USAID**” shall have the meaning ascribed to that term in Section 20 of the Guarantee Term Sheet.

“**Qualifying Borrower**” shall have the meaning ascribed to that term in Section 18 of the Guarantee Term Sheet.

“**Qualifying Loan**” shall have the meaning ascribed to that term in Section 17 of the Guarantee Term Sheet.

“**Qualifying Loan Maturity Date**” shall have the meaning ascribed to that term in Section 13 of the Guarantee Term Sheet.

“**Reasonable Collection Efforts**” shall mean (i) reasonable investigation of the likelihood of repayment before declaring a default; (ii) sending notices to the Qualifying Borrower and any other entity that may be liable on the Qualifying Loan pursuant to agreement with the Borrower or by operation of Applicable Law and standard banking practice in the applicable jurisdiction of the Qualifying Borrower ; (iii) reasonably pursuing, collecting and accepting payments to cure any payment defaults by the Qualifying Borrower; (iv) exercising rights in or over collateral (which, for the avoidance of doubt, shall include parent guarantees from the parent company with respect to the Qualifying Borrower); (v) exercising setoff rights or other rights to debit an account of the Qualifying Borrower; and (vi) any other action that is standard and expected as part of the repayment collection process. “Reasonable collection efforts” is not required to include the completion of legal proceedings against a Qualifying Borrower.

“**Recovered Funds**” shall have the meaning ascribed to that term in Section 6.02 of the Standard Terms and Conditions.

“**Standard Terms and Conditions**” shall mean these standard terms and conditions set forth as this Attachment 2 to the Agreement.

“**Termination Event**” shall have the meaning ascribed to that term in Section 11.01 of the Standard Terms and Conditions.

“**Total Country Weight Value**” shall have the meaning ascribed to that term in Section 20 of the Guarantee Term Sheet.

“**Total Qualifying Value of USAID Guaranteed Loans**” shall have the meaning ascribed to that term in Section 20 of the Guarantee Term Sheet.

“**Total Recovered Funds**” shall have the meaning ascribed to that term in Section 6.02 of the Standard Terms and Conditions.

“**US Treasury Exchange Rate**” shall mean the rate of exchange for conversion of the Local Currency to U.S. Dollars or the conversion of U.S. Dollars to Local Currency, as used by the U.S. Treasury on a quarterly basis and in effect at the time any such conversion is calculated. As of the date of the Agreement, such rates are published at https://www.fiscal.treasury.gov/fsreports/rpt/treasRptRateExch/treasRptRateExch_home.htm.

“**Utilization Fee**” shall have the meaning ascribed to that term in Section 21(b) of the Guarantee Term Sheet.

Schedule 1: Eligible Countries and Country Weight Group

Country	IIX Country Weight Group
Indonesia	1
India	2
Philippines	2
Thailand	2
Solomon Islands	3
Bangladesh	4
Fiji	4
Papua New Guinea	4
Sri Lanka	4
Vietnam	4
Cambodia	5
Nepal	5

Schedule 2: Total Weight Value Calculation (Example)

Lender Name	Lender Country	Country Weight Group	Qualifying Loan Value	% of Total Qualifying Loan Dollar Value Gteed by USAID	Weighting
Project A	India	2	\$ 4,000,000	28.6%	0.57
Project B	Bangladesh	4	\$ 1,500,000	10.7%	0.43
Project C	Sri Lanka	4	\$ 5,000,000	35.7%	1.43
Project D	Cambodia	5	\$ 3,500,000	25.0%	1.25
Total Country Weight Value (IIX WLB2)					3.68

Appendix 1: Request for Payment of Claim

Use when submitting 30 or fewer defaulted Qualifying Loans at one time Instructions:

Processing of a claim is contingent on the following:

- Delivery to USAID of a completed claim package, as set out below
- Submission and approval of all semi-annual Qualifying Loan Schedule reports up to the current period as reflected in the USAID Credit Management System (CMS)
- Payment, in full, to USAID of all Guarantee Fees due as of the claim submission date, as defined in the Guarantee Agreement

A complete claim package MUST contain the following to be considered for payment:

- All four completed Claim Forms** provided herein: 1) Loan Information, 2) Claim Terms, 3) Payment Instructions, and 4) Claim Certification.
- Verification of purpose of loan:** A signed loan application or credit approval document from the Guaranteed Party that shows the stated and approved purpose of the loan.
- Proof of disbursement of loan:** A loan statement or a current account statement with disbursement of the guaranteed loan clearly identified and initialed by an authorized member of the Guaranteed Party.
- Record of payments on principal balance of loan:** A loan statement or a current account statement with repayments of principal balance of the guaranteed loan clearly identified and initialed by an authorized member of the Guaranteed Party.
- Proof of write-off or provisioning of loan:** (i) A loan statement, banking system screenshot, or other document proving write-off of the loan, or (ii) in the case of legal impediment or significant impracticality to a write-off, a signed document proving the loan is provisioned for at least twenty percent (20%).
- Evidence of collection efforts:** Final demand letter or final loan collection visit report. Per the Guarantee Agreement, claims must be submitted no fewer than 90 days after final demand.

Please send completed claim packages to DCAclaims@usaid.gov.

Claim Form 1: Loan Information:

Pursuant to Section 5.02 (*Submission of Claim*) of Guarantee Agreement No. 497-DCA-19-012 (the "Guarantee Agreement") entered into between USAID and *Name of Guaranteed Party* (the "Guaranteed Party") on *date*, we hereby request that you make the following payment with respect to the Qualifying Loan. Terms used herein shall have the meanings ascribed to them in the Guarantee Agreement.

Name of Borrower in Default	
CMS Transaction Report #	
Date of Loan Approval	mm/dd/yyyy
Date of Loan Maturity	mm/dd/yyyy
Disbursement Date if multiple disbursements, indicate amount disbursed on each date	mm/dd/yyyy

a. Currency of loan submitted

b. Approved amount of loan

c. Amount of loan disbursed

d. Approved purpose of loan proceeds

e. Additional loans to the Borrower under coverage in the Guarantee Agreement

USAID Transaction Report No.	Date of Loan Approval	Maturity Date	Approved Amount of Loan	Interest Rate	Is Loan in Default? (yes/no)

Claim Form 2: Claim Terms

a. Date of default

mm/dd/yyyy

b. Date of final demand

mm/dd/yyyy

c. Reason for default

Use currency of loan

e. Amount of repayments credited to principal to date

f. Amount of defaulted principal

Use currency of loan

g. Amount of claim

Use currency of loan

h. Other loans to the same borrower *NOT* under coverage in the Guarantee Agreement that are *currently in default*. If none, please insert "N/A":

Loan Number or Identification	Approved Amount of loan	Amount of Principal Defaulted	Date of Default	Amount of Collateral Applied to Loan

(k) Confirmation that the bridge financing provided by Global Affairs Canada, or any other third party, to any Guaranteed Party has been fully repaid and is no longer in existence.

Claim Form 3: Payment Instructions

The Guaranteed Party requests that payment be made by the method and to the account described below:

- DOS Check**, picked up from the US Mission
- Electronic Transfer** (fill in the information below)

For DOS Check:

Bank representative:

Contact information for

bank representative:

Phone number:

Email:

Address of bank:

For Electronic Transfers:

Beneficiary of account:

[Guaranteed Party]

Bank name:

SWIFT code:

Account number:

Please be sure that the account listed can accept electronic transfers in the currency of the loans in default.

Claim Form 4: Claim Certification

The Guaranteed Party hereby certifies that it has complied with the requirements of the Guarantee Agreement (including the payment of all Guarantee Fees arising under Section 4.01 (*Guarantee Fees*)) and will comply with the requirements of Article V (*Claim Procedures*) of the Guarantee Agreement. The Guaranteed Party further certifies that:

- (a) the Borrower has failed to repay the stated principal amount due as described on Claim Form 2;
- (b) the Borrower has failed to meet the Guaranteed Party's demand for repayment of the principal amount due on the Qualifying Loan;
- (c) the Guaranteed Party has diligently pursued Reasonable Collection Efforts against the Borrower (and any other entity that may be liable on the Loan), in accordance with Applicable Law and standard banking practice in the applicable jurisdiction of the Borrower; and
- (d) After such collection activities, the Guaranteed Party has (1) has written off the entire outstanding balance (including principal and interest) of the Loan as a bad debt expense; or (2) it (A) is unable, because of a legal impediment or significant impracticality, to take the action described in (1) above, and (B) has established a specific provision of funds (which is evidenced on its balance sheet or income statement) for possible loan losses associated with the default by the Defaulting Borrower, and the amount of such provision equals or exceeds twenty percent (20%) of the amount of defaulted principal.

The Guaranteed Party further certifies that the claim package submitted to USAID is complete and includes the following documentation (**please check all that are included**):

- Completed Claim Forms 1, 2, 3, and 4
- Verification of the purpose of the loan
- Proof of disbursement of loan
- Record of repayments of loan
- Proof of write-off or provisioning of defaulted loan
- Evidence of collection efforts

Signature: _____
Name: _____
Title: _____
Date: _____

Appendix 2: Summary Request for Payment of Claim

Use when submitting more than 30 defaulted Qualifying Loans at one time in a single currency

Instructions:

Processing of a claim for 30 or more Qualifying Loans is contingent on the following:

- Delivery to USAID of a completed claim package, as set out below
- Submission and approval of all semi-annual Qualifying Loan Schedule reports up to the current period as reflected in the USAID Credit Management System (CMS)
- Payment, in full, to USAID of all Guarantee Fees due as of the claim submission date, as defined in the Guarantee Agreement

A complete claim package MUST contain the following to be considered for payment:

- All four completed Claim Forms** provided herein: 1) Loan Information Summary, 2) Claim Summary Spreadsheet, 3) Payment Instructions, and 4) Claim Certification.
- All required documents for a sample of at least 30 defaulted loans**, as set out below.

The following documentation is required for *each* loan in the loan document sample:

- Verification of purpose of loan:** A signed loan application or credit approval document from the Guaranteed Party that shows the stated and approved purpose of the loan.
- Proof of disbursement of loan:** A loan statement or a current account statement with disbursement of the guaranteed loan clearly identified and initialed by an authorized member of the Guaranteed Party.
- Record of payments on principal balance of loan:** A loan statement or a current account statement with repayments of principal balance of the guaranteed loan clearly identified and initialed by an authorized member of the Guaranteed Party.
- Proof of write-off or provisioning of loan:** (i) A loan statement, banking system screenshot, or other document proving write-off of the loan, or (ii) in the case of legal impediment or significant impracticality to a write-off, a signed document proving the loan is provisioned for at least twenty percent (20%).
- Evidence of collection efforts:** Final demand letter or final loan collection visit report. Per the Guarantee Agreement, claims must be submitted no fewer than 90 days after final demand.

Please send completed claim packages to DCAclaims@usaid.gov.

Claim Form 1: Loan Information Summary

Pursuant to Section **5.02** (*Submission of Claim*) of Guarantee Agreement No. 497-DCA-19-012 (the "Guarantee Agreement") entered into between USAID and **Name of Guaranteed Party** (the "Guaranteed Party") on **date**, we hereby request that you make the following payment with respect to the Loan. Terms used herein shall have the meanings ascribed to them in the Guarantee Agreement.

- a. Currency of loans in claim submission
- b. Total amount of defaulted principal
- c. Total amount of claim request
- d. Common reasons for defaults of Qualifying Loans in this claim submission

- e. Description of Reasonable Collection Efforts used for the Qualifying Loans submitted in this claim (summary of lender process and results)

Claim Form 2: Claim Summary Spreadsheet

Please fill out the Excel Spreadsheet with required data (screenshot below) for each defaulted Qualifying Loan included in the claim submission. A spreadsheet can be requested from USAID. Please submit to DCAclaims@usaid.gov along with the other Claim Forms, as set forth in the instructions above.

USAID Transaction Report ID (if applicable)	Internal Loan ID Number	Borrower Name	Disbursement Date	Date Placed Under Coverage	Date of Final Demand	Approved Purpose of Loan Proceeds	Reason for Default	Amount of Defaulted Qualifying Principal	Amount Claimed
531888	LG14611123000	Ag Company, Limited	3/28/2017	3/31/2018	7/5/2019	Purchase of maize seeds and seasonal labor	Drought in the region led to a poor harvest. Borrower was not able to sell enough stock to repay loan.	300,000.00	150,000.00

Claim Form 3: Payment Instructions

The Guaranteed Party requests that payment be made by the method and to the account described below:

- DOS Check**, picked up from the US Mission
- Electronic Transfer** (fill in the information below)

For DOS Check:

Bank representative:

Contact Information for

Bank Representative:

Phone number:

Email:

Address of bank:

For Electronic Transfers:

Beneficiary of account:

[Guaranteed Party]

Bank name:

SWIFT code:

Account number:

Please be sure that the account listed can accept electronic transfers in the currency of the loans in default.

Claim Form 4: Claim Certification

The Guaranteed Party hereby certifies that it has complied with the requirements of the Guarantee Agreement (including the payment of all Guarantee Fees arising under Section **4.01** (*Guarantee Fees*)) and will comply with the requirements of Article V (*Claim Procedures*) of the Guarantee Agreement. The Guaranteed Party further certifies that:

- (a) the Borrowers have failed to repay the stated principal amount due as described on the submitted Claim Summary Spreadsheet;
- (b) the Borrowers have failed to meet the Guaranteed Party's demand for repayment of the principal amount due on the Qualifying Loans;
- (c) the Guaranteed Party has diligently pursued Reasonable Collection Efforts against each Borrower (and any other entity that may be liable on the Loan), in accordance with Applicable Law and standard banking practice in the applicable jurisdiction of the Borrower; and
- (d) After such collection activities, the Guaranteed Party has (1) has written off the entire outstanding balance (including principal and interest) of the Loans as a bad debt expense; or (2) it (A) is unable, because of a legal impediment or significant impracticality, to take the action described in (1) above, and (B) has established a specific provision of funds (which is evidenced on its balance sheet or income statement) for possible loan losses associated with the default by the Defaulting Borrower, and the amount of such provision equals or exceeds twenty percent (20%) of the amount of defaulted principal.
- (e) The Guaranteed Party acknowledges that USAID reserves the right to request additional loan files and information beyond the initial 30 loans submitted as it deems necessary for approval.

The Guaranteed Party further certifies that the claim package submitted to USAID is complete and includes the following documentation (**please check all that are included**):

- Completed Claim Forms 1, 2, 3, and 4

For each loan in the sample, also include:

- Verification of the purpose of the loan
- Proof of disbursement of loan
- Record of repayments of loan
- Proof of write-off or provisioning of defaulted loan
- Evidence of collection efforts

Signature: _____

Name: _____

Title: _____

Date: _____

Appendix 3: Reporting Qualifying Loans

Part 1: Reporting Qualifying Loans in Credit Management System: Transaction Reports

A Transaction Report is created by the Guaranteed Party each time that a loan is placed under guarantee coverage. It contains information that is pertinent to the particular loan in question. Only one Transaction Report is created per loan, not per disbursement. If there are multiple disbursements, this information will be reflected by the Guaranteed Party when reporting Disbursements in the Loan Schedule. Transaction Reports can be created at any time, although USAID recommends that they be created at the time of loan disbursement.

The Guaranteed Party is advised to carefully review the data recorded in each Transaction Report to ensure that it is correct before submitting the information to USAID. At the time of submission, the Guaranteed Party will certify that the Loan is a Qualifying Loan as defined in the Agreement and that the information submitted is true and correct in all respects. Once the Transaction Report is submitted, only USAID is permitted to make any changes.

SCREENSHOT ON NEXT PAGE

Create Transaction Report

Transaction Report Number Set Upon Submission

Credit Agreement Guarantee Number 999-DCA-99-999

Country and Currency Kiribati - UNITED STATES - DOLLAR

If more than one currency is available, select from the drop-down menu.

Credit Type Term Loan

Exchange Rate Set Upon Submission

Borrower Name Paola

City/Town Washington

Please spell out shortened names such as Fort, Saint, etc.... Also please note that some city names have multiple spellings and may contain accents or dashes (e.g. Port-au-Prince).

State/Province/Region District of Columbia

Business/Sector Agriculture

Select the type of business the borrower operates.

Additional Information ID 20934978523

Purpose of Loan Purchase of irrigation system for urban garden

Please be specific... e.g., "working capital for new inventory"

Transaction Amount 3000

Principal Loan Amount

Interest Rate Type Fixed

Interest Rate 9

Enter annualized interest rate charged to the borrower at the time of loan disbursement.

Collateral Value 1500

Enter the value of collateral that the borrower pledged for this loan.

Collateral as a % of Loan 50%

Disbursement Date 2014/10/07

Date loan was first disbursed.

End Date 2015/02/07

Same as Maturity or Expiration Date.

Development Indicators

First Time Borrower Yes

Current Number of Employees on Payroll N/A

N/A means 0 employees or self-employed.

Woman-Owned Business Yes

Please select Yes if a woman owns 51% or more of the business.

Total Assets 10000

(In the same currency as the transaction.)

Current Annual Revenue 55000

(In the same currency as the transaction.)

[Save](#) [Cancel](#)

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The information contained in CMS are trade secrets and commercial or financial information which are privileged and confidential and exempt from disclosure under the Freedom of Information Act, 5 U.S.C. Sec. 552. Furthermore, this information is prohibited from disclosure under the Trade Secrets Act, 18 U.S.C. Sec 1905.

APPENDIX 3 cont.

Part 2: Reporting Qualified Loans in Credit Management System (Loan Schedule Screen Shot)

At the end of each six-month guarantee or reporting period, the Guaranteed Party creates a new Loan Schedule in CMS and update loan activity for that period. USAID will use its best efforts to notify the Guaranteed Party as soon as the US Treasury Exchange Rate for that period has been updated in CMS. CMS will automatically incorporate any new Qualifying Borrowers for whom Transaction Reports were created during the last reporting period. The ending loan balance for the previous period will become the opening balance for the current period. It is up to the Guaranteed Party to update the Disbursements, Payments, Arrears (Days) and Removed Coverage Date columns to reflect loan activity that occurred during the current reporting period. CMS will automatically calculate the ending balance. Updated Loan Schedules are due no later than thirty (30) days following the last day of the reporting period.

The Guaranteed Party is advised to carefully review the data recorded in the Loan Schedule to ensure that it is correct before submitting this information to USAID. The submission by the Guaranteed Party to USAID (in any form and through any means, including via email or CMS) of a Qualifying Loan is deemed a certification at the time of such submission by the Guaranteed Party that the loans are Qualifying Loans as defined in the Agreement and that the information submitted is true and correct. Once the Loan Schedule has been submitted to USAID, only USAID can make changes.

Loan Schedule Summary

Report Period Start Date 2015/01/01
Report Period End Date 2015/06/30

Status: Submitted

Loan Schedule Items, G

Sort Loan Schedule Summary By: Sort By Date | Sort By Name

Kiribati: UNITED STATES - DOLLAR

Loan Information					Loan Activity during Guarantee Period (2015/01/01 to 2015/06/30)					
Transaction Number	Borrower	Approved Loan Amount	Guarantee %	Disbursement Date	Principal Balance as of 2015/01/01	Disbursement in Current Period	Payment to Principal in Current Period	Principal Balance as of 2015/06/30	Days in Arrears on 2015/06/30	Date Removed from Coverage
535308	Scott	1,000.00	50.00%	2014/04/10	680.00	0.00	10.00	670.00	103	
539650	Jess	30,000.00	50.00%	2015/01/17	0.00	30000.00	0.00	30,000.00	0	

Ending Balance Subtotal: 30,670.00 (UNITED STATES - DOLLAR)
Exchange Rate: 1.000
Ending Balance Subtotal: \$30,670.00 (USD)

Save Cancel

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The information contained in CMS are trade secrets and commercial or financial information which are privileged and confidential and exempt from disclosure under the Freedom of Information Act, 5 U.S.C. Sec. 552. Furthermore, this information is prohibited from disclosure under the Trade Secrets Act, 18 U.S.C. Sec 1905.

Appendix 4: Certification of Post-Claim Recoveries

Attention:

Date:

Ref: Loan Portfolio Guarantee Agreement No. DCA – insert guarantee no.

Capitalized terms used but not defined herein shall have the meanings ascribed to that term in the loan portfolio guarantee agreement No. insert guarantee no. (the “Agreement”) dated _____, between the United States Agency for International Development (USAID) and insert name of the Guaranteed Party(the “Guaranteed Party”). The Guaranteed Party hereby certifies that it was paid insert amounts by USAID in connection with claims submitted under the Agreement.

The Guaranteed Party further certifies that, as of the date hereof, it has received insert amount in Recovered Funds (as defined in Section 6.02 of the Agreement) and, in accordance with Section 6.03 of the Agreement, shall reimburse USAID _____ Insert brief description of collection efforts and related costs incurred.

The Guaranteed Party acknowledges that USAID may refuse to honor any future claims under the Agreement if the specified amount of Recovered Funds and any other amounts noted above is not accurate.

Guaranteed Party

By (Signature)

Name (please print)

Title (please print)

Date

Appendix 5 (a): Form of Certificate of Authority

LETTERHEAD OF GUARANTEED PARTY AND FACILITY MANAGER

NAME OF GUARANTEED PARTY/ENTITY

CERTIFICATE OF AUTHORITY

The undersigned, **Insert name and title of the Officer of Insert Name, Address and Place Incorporated of the Guaranteed Party** (the “Guaranteed Party”) is delivering this Certificate of Authority pursuant to Section 7.01(i)(b) of the loan portfolio guarantee agreement No: _____ dated (the “Agreement”) between the United States Agency for International Development (“USAID”) and the Guaranteed Party. I, **Insert Name of Officer**, DO HEREBY CERTIFY that **Insert Name of Officer Signing the Agreement** has the authority to sign the Agreement and any appendices thereto on behalf of the Guaranteed Party.

IN WITNESS WHEREOF, the undersigned has executed this certificate on the DATE.

MANAGER

INSERT NAME OF GUARANTEED PARTY/FACILITY

By:
Name:
Title:

Instructions (delete before signing): This Certificate should be dated the date of the Guarantee Agreement and signed simultaneously. USAID can date the signed form so long as the Guaranteed Party is aware and has not opposed. It should be signed by an individual that has the capacity to confirm the authority of the entity signing the Guarantee Agreement. Accordingly, the signatory to this Certificate and the Guarantee Agreement are different.

Appendix 5 (b): Form of Officer’s Certificate

LETTERHEAD OF GUARANTEED PARTY AND FACILITY MANAGER

Subject: USAID Guarantee No. DCA –

The undersigned, **insert name and title of the Officer and name of the Guaranteed Party** (the “Guaranteed Party”) is delivering this certificate pursuant to Section 7.01(i)(c) of the loan portfolio guarantee agreement dated (the “Agreement”) between the United States Agency for International Development (“USAID”) and the Guaranteed Party.

I, Insert Name of Officer, as Insert Title and Name of Guaranteed Party, DO HEREBY CERTIFY that all representations made by the Guaranteed Party in Section 8 of the Agreement are true and complete as of the date of the Agreement and as of the date hereof.

INSERT NAME OF GUARANTEED PARTY/FACILITY MANAGER

By (Signature)

Name (please print)

Title (please print)

Date

Instructions (delete before signing): This Certificate should be dated the date of the Guarantee Agreement and signed simultaneously. USAID can date the signed form so long as the Guaranteed Party is aware and has not opposed. It should be signed by the individual that is signing the Guarantee Agreement.

Appendix 5 (c): Form of Legal Opinion

LETTERHEAD OF LAW FIRM OR IN-HOUSE COUNSEL

INSERT ADDRESS OF USAID

DATE

Subject: USAID Guarantee No. DCA –

We have acted as counsel to insert name of Guaranteed Party or the Facility Manager (the “Guaranteed Party”/the “Facility Manager”) in connection with the agreement of guarantee (the “Guarantee Agreement”) dated between the United States Agency for International Development (“USAID”) and the Guaranteed Party. This opinion is being delivered to you at the request of the Guaranteed Party/Facility Manager pursuant to Section 7.01(ii)(a) of the Guarantee Agreement. Terms used but not defined herein shall be given the meanings ascribed to them in the Guarantee Agreement.

In rendering the opinion below, we have examined executed copies of the Guarantee Agreement, such corporate and other records, agreements, or documents pertaining to the Guaranteed Party/Facility Manager as we have deemed relevant and necessary as a basis for the opinions set forth below.

Insert any assumptions

Based on the foregoing, we are of the opinion that:

1. Guaranteed Party/Facility Manager is duly organized and validly existing where incorporated or chartered. The Guaranteed Party has full power, authority and legal right to carry out its business as currently conducted, to execute, deliver and perform the Guarantee Agreement and all other documents which the Guarantee Agreement contemplates will be executed by the Guaranteed Party and to carry out all the activities which the Guarantee Agreement contemplates will be carried out by the Guaranteed Party/Facility Manager.
2. The execution, delivery and performance by the Guaranteed Party/Facility Manager of the Guarantee Agreement have been duly authorized by all necessary actions of the Guaranteed Party/Facility Manager, and the Guarantee Agreement constitutes a legal, valid and binding obligation of the Guaranteed Party enforceable in accordance with its terms.
3. Neither the entry into the Guarantee Agreement nor the compliance with its terms will conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default or require any consent under, any instrument or arrangement to which the Guaranteed Party/Facility Manager is a party or by which it is bound, or violate any of the terms or provisions of its organizational documents, any judgment, decree, or order or any Applicable Law.
4. No approval, consent, registration, filing, agreement, certificate, permit, authority or exemption of any kind is required from any governmental authority in order for the Guaranteed Party/Facility Manager to enter into the Guarantee Agreement and perform its duties thereunder.

Insert any qualifications

Name and signature of law firm or lawyer providing the opinion and signature

Appendix 5 (d): Form of CP Satisfaction Letter

SAMPLE LETTER FROM USAID INDICATING CONDITIONS PRECEDENT HAVE BEEN SATISFIED

Date: **Insert Date**

insert name of officer of Guaranteed Party signatory
Insert title – e.g., general manager
Insert name of the guaranteed party
insert address

Subject: **insert country name** Loan Portfolio Guarantee
Guarantee No. DCA-**insert guarantee no.** -xxx-DCA-xx-xxx
Satisfaction of Conditions Precedent

Dear **insert name**:

Reference is hereby made to the Loan Portfolio Guarantee Agreement insert guarantee no. (the “Agreement”), dated ___, ___, between the U.S. Agency for International Development (“USAID”) and insert name of Guaranteed Party (the “Guaranteed Party”). Capitalized terms used but not defined in this letter shall have the meanings ascribed to that term in the Agreement. Pursuant to Section 7.01 (*Conditions Precedent*) of the Agreement, USAID hereby notifies insert name of Guaranteed Party that it has received the materials and information referred to in Section 7.01 and they are in form and substance satisfactory to USAID. Therefore, subject to the terms and conditions of the Agreement, Qualifying Loans may now be placed under the coverage of the Guarantee.

Sincerely,

insert name
Mission Director
USAID/insert Mission

Appendix 6: Key Individual Certification

Narcotics Offences and Drug Trafficking

I hereby certify that within the last ten years:

1. I have not been convicted of a violation of, or a conspiracy to violate, any law or regulation of the United States or any other country concerning narcotic or psychotropic drugs or other controlled substances.
2. I am not and have not been an illicit trafficker in any such drug or controlled substance.
3. I am not and have not been a knowing assistor, abettor, conspirator, or colluder with others in the illicit trafficking in any such drug or substance.

Signature: _____
Date: _____
Name:
Organization:
Position:
Address:
National ID#:
Date of Birth:

NOTICE:

1. You are required to sign this Certification under the provisions of 22 CFR Part 140, Prohibition on Assistance to Drug Traffickers. These regulations were issued by the Department of State and require that certain key individuals of organizations must sign this Certification.
2. If you make a false Certification you are subject to U.S. criminal prosecution under 18 U.S.C. 1001.

Appendix 7: Impact Criteria

The following outlines the Guaranteed Party's impact criteria for Qualifying Borrowers:

MFI Impact Criteria:

- Clear commitment to/mission of empowering women as demonstrated by ensuring that (i) not less than seventy percent (70%) of the clients of the Qualifying Borrowers are underserved (low-income, rural) women; (ii) the clients of Qualifying Borrowers are organizations (e.g. microfinance institutions, farmer cooperatives, etc.) that have underserved women as majority of their clients; and/or (iii) the Qualifying Borrower ring-fences the loan to ensure proceeds impact majority women beneficiaries
- Key business activities of the Qualifying Borrower help achieve one or more of the following primary outcomes:
 - Increased income generation ability or stability of income
 - Increased financial security via savings or insurance
 - Increased ownership of assets (house, land, etc.)
 - Increased productivity or time saving
 - Increased access to essential products or services that improve quality of life for the woman beneficiary or dependent family members (young children, elderly parents)

MSME Impact Criteria:

- Clear commitment to/mission of empowering women demonstrated by ensuring that (i) not less than seventy percent (70%) of the beneficiaries of the Qualifying Borrower are underserved (low-income, rural) women; (ii) the Qualifying Borrower ring-fences the loan to ensure proceeds impact majority women beneficiaries; or (iii) the Qualifying Borrower proactively targets women beneficiaries in an industry where women are underrepresented and thereby serves a total percentage of women beneficiaries that is higher than the industry standard.
- Key business activities of the Qualifying Borrower help achieve one or more of the following primary outcomes:
 - Increased income generation ability or stability of income
 - Increased access to clean and/or stable energy sources
 - Increased access to stable employment opportunities or formal integration into agricultural/industrial supply chains
 - Increased ownership of assets (house, land, etc.)
 - Increased productivity or time saving
 - Increased access to skills or market information

Increased access to other essential products or services that improve financial resilience or quality of life for woman beneficiaries or dependent family members (young children, elderly parents)

Appendix D
Consents under the Loan Portfolio Guarantee Agreement

November 18, 2020

Ms. Agnes Chen Meiyun
Director
WLB Asset II B Pte Ltd
230 Victoria Street,
#11-03/04, Bugis Junction Towers,
Singapore 188024

Mr. Robert Kraybill
Managing Director, Portfolio Management and Chief Investment Officer
Impact Investment Exchange Pte Ltd
1 King George's Avenue
#05-00 Rehav Building
Singapore 208557

Subject: Consents under Loan Portfolio Guarantee Agreement No. 497-DCA-19-012

Dear Ms. Chen and Mr. Kraybill,

Reference is hereby made to the above-referenced loan portfolio guarantee agreement dated as of September 6, 2019 and amended on January 17, 2020 (the "**Agreement**") among the U.S. International Development Finance Corporation ("**DFC**", as the legal successor to the United States Agency for International Development), on behalf of the United States of America, each of WLB Asset II Pte Ltd, WLB Asset II B Pte Ltd, WLB Asset II C Pte Ltd and WLB Asset II D Pte Ltd (each a "**Guaranteed Party**" and together the "**Guaranteed Parties**") and Impact Investment Exchange Pte Ltd (the "**Facility Manager**"). Capitalized terms used but not defined herein shall have the meanings provided to such terms in the Agreement.

On October 16, 2020, DFC received a request letter from the Facility Manager for the DFC's prior written consent to the following:

- 1) Extend one Qualifying Loan to a Qualifying Borrower in a currency other than the currency of such Qualifying Borrower's operations. In accordance with Section 12 (Currency of Qualifying Loans) of Attachment 1 (Guarantee Term Sheet) of the Agreement, the Facility Manager, on behalf of WLB Asset II B Pte Ltd, has demonstrated that, with respect to the Qualifying Borrower's business and operations, the regulatory regime governing external borrowings, or the ability of the Guaranteed Party to apply a hedging mechanism, there is a valid reason for the Qualifying Loan to be made in U.S. Dollars, and has required the Qualifying Borrower to hedge the currency risk associated with the loan. In determining that there is a valid reason for the Qualifying Loan to be made in U.S. Dollars, the Facility Manager considered the Qualifying Borrower's practice of diversifying sources of funding by sourcing a small proportion of U.S. Dollar denominated debt from international lenders (less than 10% of total debt, and

less than 5% of total assets for the past three years) and that the Qualifying Borrower is able to partially hedge the loan at rates that are more favorable than those available to WLB Asset II B Pte Ltd by borrowing locally against a U.S. Dollar cash deposit. The Qualifying Borrower manages foreign currency exposure by accumulating U.S. Dollar deposits well in advance of principal and interest payment obligations.

The Facility Manager, on behalf of WLB Asset II B Pte Ltd, has also determined, in accordance with its standard credit analysis, the Qualifying Borrower's ability to repay the applicable Qualifying Loan. In accordance with Section 12 (Currency of Qualifying Loans) of Attachment 1 (Guarantee Term Sheet) of the Agreement, DFC hereby provides its approval of the proposed U.S. Dollar denominated Qualifying Loan to NWTF in an amount up to two million U.S. Dollars (US\$2,000,000).

- 2) Extend Qualifying Loans to Centrum Microcredit Limited (“CML”) in an amount up to the Local Currency equivalent of seven million U.S. Dollars (US\$7,000,000) and to Kinara Capital in an amount up to the Local Currency equivalent of nine million U.S. Dollars (US\$9,000,000). In accordance with Section 5 (Maximum Cumulative Principal Amount of Qualifying Loans Made Per Qualifying Borrower) of Attachment 1 (Guarantee Term Sheet) of the Agreement, DFC hereby provides its consent to these Qualifying Loans by WLB Asset II B Pte Ltd.
- 3) Reallocate the Maximum Cumulative Disbursements Sub-Amount in furtherance of the Guarantee Purpose. In accordance with Section 4 (Reallocations) of Attachment 1 (Guarantee Term Sheet) of the Agreement, DFC hereby provides its consent to the reallocation of the Maximum Cumulative Disbursements Sub-Amounts as follows:

WLB Asset II Pte Ltd: Eleven million six hundred twenty-five thousand U.S. Dollars (US\$11,625,000)

WLB Asset II B Pte Ltd: Thirty five million U.S. Dollars (US\$35,000,000)

WLB Asset II C Pte Ltd: Forty million U.S. Dollars (US\$40,000,000)

WLB Asset II D Pte Ltd: Thirteen million three hundred seventy-five thousand U.S. Dollars (US\$13,375,000)

- 4) In accordance with Section 8 (Guarantee Ceiling Sub-Amount) of Attachment 1 (Guarantee Term Sheet) of the Agreement, the Guarantee Ceiling Sub-Amount of each Guaranteed Party is hereby updated to the following:

WLB Asset II Pte Ltd: Five million eight hundred and twelve thousand five hundred U.S. Dollars (US\$5,812,500)

WLB Asset II B Pte Ltd: Seventeen million five hundred thousand U.S. Dollars (US\$17,500,000)

WLB Asset II C Pte Ltd: Twenty million U.S. Dollars (US\$20,000,000)

WLB Asset II D Pte Ltd: Six million six hundred and eighty-seven thousand five hundred U.S. Dollars (US\$6,687,500)

- 5) In accordance with Section 21 (a) (**Origination Fee**) of Attachment 1 (Guarantee Term Sheet) of the Agreement, at any time a Guaranteed Party receives an increase in its Maximum Cumulative Disbursements Sub-Amount, a corresponding Origination Fee will be charged to such Guaranteed Party. Accordingly, the Second Origination Fee payable to DFC in accordance with Section 4.01(a)(ii) of Attachment 2 (Standard Terms and Conditions) by WLB Asset II B Pte Ltd shall equal 30 basis points (0.30%) of its updated Maximum Cumulative Disbursement Sub-Amount, as set forth in paragraph 3 above. The Second Origination Fee payable by WLB Asset II B Pte Ltd is therefore equal to one hundred and five thousand U.S. Dollars (US\$105,000).

Except as expressly stated above, no other consents or approvals are granted and the consents and approvals set forth above do not constitute, and shall not be construed as, a consent, approval, waiver or modification of any other term or condition of the Agreement or a course of conduct. Any future consent, approval or exemption will be effective only if it is established in writing separately from it. The consents and approvals provided in this letter do not modify or amend any other terms or conditions of the Agreement, and all such terms and conditions shall remain in full force and effect.

Please contact me should you have any questions regarding this letter.

U.S. International Development Finance Corporation

Scott Haller
Managing Director, Analytics and Compliance
Office of Development Credit/Mission Transaction Unit
U.S. International Development Finance Corporation

Page Break

Appendix E
U.S. Purchaser Letter

U.S. Purchaser Letter

In connection with any purchase of Bonds (as defined below), persons purchasing the Bonds will be required to execute and return a letter substantially in the form set out below to the following recipients:

Issuer: WLB Asset II B Pte. Ltd. 1 King George's Avenue, #05-00 Rehau Building Singapore 208557	Transfer Agent: The Bank of New York Mellon SA/NV, Luxembourg Branch Vertigo Building - Polaris – 2-4 rue. Eugène Ruppert L-2453 Luxembourg
---	---

_____, 20__

WLB Asset II Pte. Ltd.

and

The Placement Agent (as defined below)

Ladies and Gentlemen:

In connection with its agreement to purchase Women's Livelihood (the "**Bonds**") of WLB Asset II B Pte. Ltd. (the "**Issuer**"), the undersigned purchaser acknowledges, represents to and agrees with the Issuer and the Placement Agent, as follows (capitalized terms not defined herein are used as defined in the confidential information memorandum dated _____, 2020, in connection with the offering of the Bonds (the "**Information Memorandum**")):

1. It acknowledges that the Bonds have not been registered under the Securities Act or any applicable state securities laws and agrees on its own behalf and on behalf of any investor account for which it is purchasing Bonds that, for so long as the Bonds are outstanding, the Bonds may not be offered, sold, pledged or otherwise transferred, directly or indirectly, except:
 - a) to the Issuer (though the Issuer is under no obligation to purchase any such Bonds); or
 - b) in the United States or to U.S. Persons (within the meaning of Regulation S) to persons who are both "qualified institutional buyers" in reliance on Rule 144A and "qualified purchasers" in accordance with the Investment Company Act; or
 - c) outside the United States to non-U.S. persons (within the meaning of Regulation S) in offshore transactions in reliance on Regulation S;

and in each case in compliance with any applicable state securities laws in the United States or securities laws of any other applicable jurisdictions;

2. It acknowledges and represents that that each of the acknowledgements, representations and agreements required of a U.S. Person purchaser, all as set forth under the caption "Transfer Restriction and Investor Representations – United States" in the Information Memorandum, are true and binding as to itself and any party on whose behalf it may be acting and that it will comply with the same. Paragraphs (1) through (26) under said caption are deemed set out and repeated here;
3. It agrees that upon any transfer, sale or pledge of the Bonds or any interest therein, it will provide a certificate of transfer (and corresponding exit letter) to the Issuer and the Transfer Agent confirming that the transfer was effected in accordance with said transfer restrictions.

The Issuer and the Placement Agent shall be entitled to rely on delivery of an electronic mail or facsimile copy of this U.S. Purchaser Letter, and acceptance by the Issuer of an electronic mail or facsimile copy of this U.S. Purchaser Letter shall create a legal, valid and binding agreement between the Issuer and the undersigned.

By:

Print Name of Purchaser

By:

Name:

Title:

Appendix F
Social Bond Principles Second Party Opinion

WOMEN'S LIVELIHOOD BOND 3

SOCIAL BOND PRINCIPLES

FRAMEWORK OVERVIEW AND SECOND PARTY OPINION
BY IIX GLOBAL CHARITABLE LIMITED

11 November 2020



www.iixfoundation.org



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This document has been prepared by IIX Global Charitable Limited with the aim to summarize our analysis of the alignment of the Women's Livelihood Bond 3 with the Social Bond Principles developed by the International Capital Markets Association. Consequently, this document is for information purposes only, and IIX Global Charitable Limited will not accept any form of liability for the substance of the Opinion and/or any liability for damage arising from the use of this Opinion and/or the information provided in it.

As the Opinion is based on information made available by the client, IIX Global Charitable Limited does not warrant that the information presented in this document is complete, accurate or up to date.

Nothing contained in this Opinion shall be construed as to make a representation or warranty, express or implied, regarding the advisability to invest in any securities or include any companies in investable universes and/or portfolios. Furthermore, this Opinion shall in no event be interpreted or construed as an assessment of the economic performance or credit worthiness of the bond.

The issuer is fully responsible for ensuring its commitments to compliance, implementation and monitoring.

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Executive Summary

IIX Global Charitable Limited is a Singapore registered charity (No. 201006538Z) with expertise in impact measurement, gender-lens analysis and sustainable development. The purpose of this document is to opine on the compliance of the Women's Livelihood Bond™ 3 (WLB 3) with the International Capital Markets Association's (ICMA) Social Bond Principles (SBP) as well as with the ASEAN Capital Markets Forum's Social Bond Standards (SBS). The WLB 3 is an innovative debt security with a mission to drive forward the United Nation's Sustainable Development Goal (SDG) 5: Gender Equality. The WLB 3 is part of a ~US\$150 million bond program; this document provides a Second Party Opinion to be issued by WLB Asset II B Pte Ltd (hereafter referred to as WLB 3). The WLB 3 is expected to impact 180,000+ female beneficiaries and generate a social return of ~US\$4 for every US\$1 invested.

Based on our analysis of WLB 3, IIX Global Charitable Limited finds that the WLB 3 is in compliance with the ICMA's SBP per the most recent guidelines available (updated as of June 2020) **and with the ASEAN Capital Markets Forum's ASEAN Social Bond Standards.** As part of this analysis, IIX Global Charitable Limited held conversations with relevant members of the portfolio management team from Impact Investment Exchange Pte. Ltd. (IIX) – the Portfolio Manager engaged to evaluate and recommend the selection of projects to be funded with the proceeds of the WLB 3 – and reviewed relevant public and internal documents provided by the Portfolio Manager and the underlying Borrowers. A summary of the IIX Global Charitable Limited's conclusion regarding the WLB 3 compliance with the SBP's four core tenets is as follows:

- **Use of Proceeds:** The WLB 3 proceeds will be used to make loans to eight underlying Borrowers who will collectively drive forward the United Nation's Sustainable Development Goal 5: Gender Equality. Over its four-year tenor, the WLB 3 is expected to support the socio-economic empowerment of 60,000+ underserved women (direct beneficiaries) by transitioning them to sustainable livelihoods, and to impact an additional 120,000+ women and girls (indirect beneficiaries) through enhanced multi-generational impact, community resilience and climate action.
- **Process for Project Evaluation and Selection:** The Portfolio Manager conducts a rigorous social and financial due diligence on potential underlying Borrowers of the WLB 3 and uses a set of screening criteria which have been jointly agreed upon with the United States International Development Finance Corporation (DFC). The Portfolio Manager clearly communicates the social objectives of the WLB 3, the screening criteria used, and the portfolio selection process to investors through the Information Memorandum to ensure transparency.
- **Management of Proceeds:** The proceeds of the WLB3 will be tracked by the Portfolio Manager in an appropriate manner. The issuer (WLB Asset II B Pte. Ltd.) is a Special Purpose Vehicle (SPV) established specifically to issue the bonds and make the loans to the underlying Borrowers. As such, all of the proceeds will be used for the purposes of the bonds. The SPV will be required to return any unallocated portion of the proceeds to bondholders.
- **Reporting:** The Portfolio Manager will monitor the impact performance of the underlying Borrowers throughout the life of the bond and will provide the following reports: (i) semi-annual impact reporting based on self-reported data from underlying Borrowers; (ii) annual impact reporting based on verified data and field visits to interview end beneficiaries; and (iii) ad-hoc announcements on the Singapore Exchange in case of any material changes to the underlying portfolio.

The remainder of this document is divided into three main sections. The first section provides an overview of the Portfolio Manager, the WLB 3 structure and its expected social impact on underserved women beneficiaries. The second section outlines IIX Global Charitable Limited's opinion of the WLB 3's consistency with the SBP using the official ICMA format, which includes an overview of the Bond's alignment with each of the SBP four core tenets. This section also includes a discussion of how the WLB 3 complies with the ASEAN Social Bond Standards. The third section contains key information

provided by the Portfolio Manager that was used to conduct IIX Global Charitable Limited's analysis; this includes (i) the impact assessment framework used to evaluate gender-lens outcomes; and (ii) a mapping to the United Nation's (UN) Sustainable Development Goals (SDGs). The summary briefly outlines IIX Global Charitable Limited's key findings and reiterates the expected impact of the WLB 3 in advancing SDG 5: Gender Equality by creating sustainable livelihoods for underserved women in Asia.



1 Overview of the Women's Livelihood Bond™ 3

1.1 Women's Livelihood Bond™ Series

Using Innovative Finance to Build Gender Equal Capital Markets: The Women's Livelihood Bond™ series is a series of innovative debt securities that mobilize private capital to invest in a multi-country, multi-sector portfolio of women-focused enterprises that balances risk, return and impact. The mission of the WLB series is to transform the narrative of women as victims of poverty and inequality to empowering them as solutions to sustainable development that create multi-generational impact, drive climate action and build COVID-resilience. The WLB 3 is closely aligned to the United Nation's Sustainable Development Goal (SDG) 5: Gender Equality by transitioning women to sustainable livelihoods and advances 12 other SDGs as outlined in Section 3. A livelihood is sustainable when it can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, provide earning opportunities for the next generation and contribute to wider development goals.

Track Record: In 2017, Impact Investment Exchange Pte. Ltd. (IIX) developed and launched the first bond in the series, the WLB 1, the world's first gender-lens, impact investing instrument to be listed on a stock exchange (Singapore Exchange) and quoted on Bloomberg (ISIN: XS1476571614). WLB 2 was issued in January 2020 (ISIN: XS2092263081). The WLB 1 and WLB 2 mobilized US\$20 million in total of private sector capital helping underserved (low-income, rural, financially excluded) women to transition from subsistence to sustainable livelihoods, thereby advancing the United Nations' Sustainable Development Goal (SDG) 5: Gender Equity. To date, both Bonds have had no defaults and all coupon payments to bondholders have been paid on time.

Current Issuance: Based on the success of WLB 1 and WLB 2, IIX is now scaling the WLB series with WLB 3, that will be issued in Q4 2020. While constructing the WLB3 portfolio, IIX collected ~3000 data points and connected with over 500 women to verify the impact of the Portfolio Companies using a combination of virtual field visits and IIX Values™, IIX's digital assessment tool. This enabled IIX to map the impact of the WLB3 portfolio to 13 SDGs and estimate a Social Return on Investment of ~\$4 for every \$1 invested. IIX will continue to rely on impact verification to provide investors with semi-annual impact performance reports tracking social and environmental outcomes experienced by ~180,000 women and girls from underserved communities across the 4-year bond tenor.

Balancing Risk, Return and Impact: The foundation of all of IIX's work is its Risk-Return-Impact (RRI) approach, which has served as the blueprint to transform financial markets and create many world-firsts – including the WLB Series as the world's first impact investing and gender lens instrument to be listed on a stock exchange. All Bonds in the WLB Series, including the WLB3, balance all three RRI components to provide investors with a balanced portfolio as outlined below in Figure 1.

Figure 1: Women's Livelihood Bond 3 Risk-Return-Impact Approach

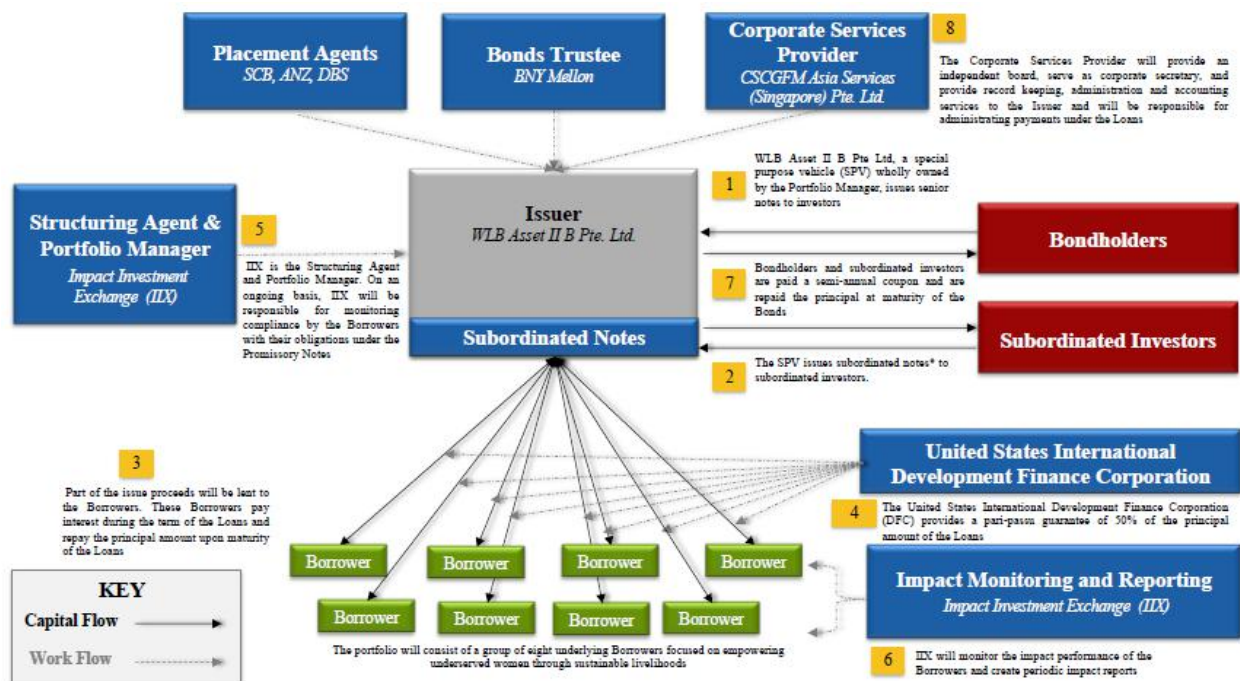
Risk: Investors enjoy the benefits of a multi-country, multi-sector, debt security. As the markets reel from broken supply chains and unprecedented regulatory changes, the WLB 3 provides investors with diversification of risk across 4 countries, 4 sectors, and 8 Borrowers. Investors also benefit from two layers of credit protection – a catalytic subordinated debt tranche provided by a government agency and a partial credit guarantee provided the United States International Development Finance Corporation (DFC).

Return: The WLB series provides investors with stable returns that result from businesses serving real community needs across their value chain. As markets become increasingly fragmented with nations turning inward, the WLB's Borrowers are at the forefront of building resilient communities. All entities in the WLB3 portfolio are financially sustainable entities that have gone through an in-depth credit due diligence to ensure their ability to generate stable financial returns, even during the COVID-19 pandemic.

Impact: The WLB3 invests in businesses that empower women from underserved (low-income, rural, marginalized) communities to create positive impact in their communities. During the COVID-19 pandemic, the WLB3 will empower women to serve as solutions to the pandemic by empowering them to sustain their microbusinesses, maintain financial resilience through savings and insurance, gain fair pricing as key actors in the agriculture supply chain and garment manufacturing industry, thereby building the socio-economic resilience of their communities.

WLB 3 Bond Structure: The WLB 3 will mobilize ~US\$[30] million of investment capital through an innovative debt security. The entire proceeds of the WLB 3 will be on-lent to a group of eight underlying Borrowers focused on empowering underserved (low-income, rural, minority, or otherwise financially or socially excluded) women to transition to sustainable livelihoods and build COVID-resilience in their communities. Figure 2 provides an overview of the WLB 3 structure.

Figure 2: Women's Livelihood Bond 3 Structure



- (1) The Issuer, which is wholly owned by the Portfolio Manager, issues US\$[27,000,000] in aggregate principal amount of Bonds.
- (2) The Subordinated Investor will provide US\$[3,000,000] (as such principal amount may be increased pursuant to the terms thereof) of Subordinated Indebtedness, serving as first-loss capital for the Bonds. The Subordinated Investor will be paid a semi-annual coupon and will be repaid the principal at maturity of the Bonds, to the extent funds are available after making required payments to the Bondholders.
- (3) The proceeds of the Bonds will be used to make Loans to the Borrowers, to pay related fees and expenses and to fund the Debt Service Reserve Account.

- (4) USIDFC provides a partial guarantee of up to 50% of the net losses of principal incurred by the Issuer as a result of non-payment of principal of the Loans, subject to certain qualification, concentration and other requirements, and subject to a maximum payment amount of US\$[14,550,000]. See Appendix C hereto for a form of the Limited Guarantee.
- (5) On an ongoing basis, the Portfolio Manager will be responsible for monitoring compliance by the Borrowers with their obligations under the Loans.
- (6) The Portfolio Manager will monitor the impact performance of the Borrowers and create periodic impact reports.
- (7) Bondholders will be paid a semi-annual coupon and will be repaid the principal at maturity of the Bonds, unless previously redeemed or purchased and cancelled as provided in the Conditions, in priority to payments to the Subordinated Investor.
- (8) The Corporate Services Provider will provide an independent board, serve as corporate secretary, and provide record keeping, administration and accounting services to the Issuer and will be responsible for administrating payments under the Loans.
- (9) The Bonds Trustee will hold the Issuer’s covenant to pay principal and interest on the Bonds on trust for the Bondholders and will act on behalf of the Bondholders in certain situations.
- (10) The Portfolio Manager will receive any surplus funds as a deferred performance fee at maturity of the Bonds.

WLB3 Portfolio Country and Sector Overview: The WLB 3 is a multi-country and multi-sector bond with a view to diversify risk and increase the breadth of impact. The eight underlying Borrowers are based in four countries: Cambodia, India, Indonesia and the Philippines. The entities operate in four sectors: Ethical Apparel, Microfinance, Small-Medium Enterprise (SME) Lending and Sustainable Agriculture. The geographic and sector breakdowns of the WLB 3 portfolio are outlined in Figure 3 and Figure 4 respectively.

Figure 3: WLB 3 Geographic Breakdown

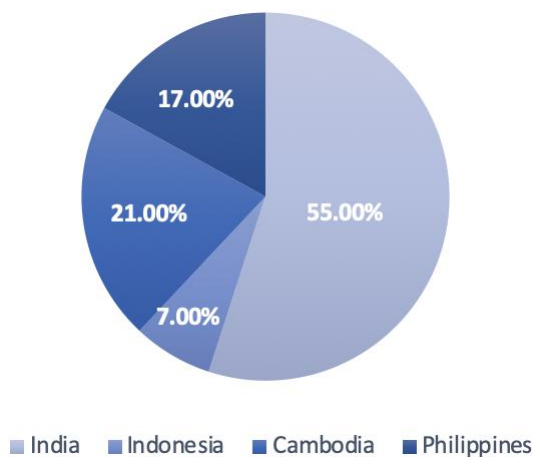


Figure 4: WLB 3 Sector Breakdown

Agriculture Ethical Garments Microfinance SME Lending

1.2 Women's Livelihood Bond™ 3: Issuer and Key Implementation Partners

The Issuer

The WLB 3 is issued through a special purpose vehicle (SPV), WLB Asset II B Pte Ltd, established as a wholly owned subsidiary of IIX. The issuer has engaged CSC GFM Asia Services (Singapore) Pte Ltd (CSC GFM) to serve as the Corporate Services Provider for the SPV and BNY Mellon to serve as the Trustee for the Bonds.

Portfolio Manager

IIX is the portfolio manager and lead structurer for the WLB series. Over the past eleven years, IIX has built the world's largest crowdfunding platform for impact investing (Impact Partners), created innovative financial products such as the Women's Livelihood Bond Series, digitized its impact assessment to effectively measure and value the impact of an enterprise on people and planet through IIX Values, operated award-winning enterprise technical assistance programs such as IIX ACTS, and established an Impact Institute for training and education. To date, IIX's work has spanned 46 countries, unlocked close to US\$200 million of private sector capital and positively impacted over 80 million direct and household lives. IIX has received numerous awards for its work including the Oslo Business for Peace Award, the 'Nobel Prize for Business.' In 2019, IIX's Women's Livelihood Bond series won both the United Nations Climate Action Award and the Partnership for Good Award for its ability to advance the global sustainable development agenda through investing in women's economic empowerment.

Across all of its work, IIX seeks to drive the achievement of the United Nations' SDGs with a central focus on SDG 5: Gender Equality. This commitment is founded on IIX's firm belief that women are at the heart of sustainable development, playing a pivotal role in supporting their communities in achieving food security, overall resource management and long-term peace and security. Women are the backbone of rural enterprises, fueling local and global economies. Research revealed economically-secure women are more likely to have healthier and better-educated children, creating a positive, virtuous cycle for the broader population. Additionally, women are central to the COVID-resilience effort in emerging markets forming the majority of frontline health workers, agriculture workers and MSME-owners, making them central to economic recovery and social cohesion.

As the Portfolio Manager for the WLB 3, IIX's pre-issuance responsibilities include structuring the bond, developing a pipeline of potential Borrowers, borrower origination and due diligence, impact measurement, and partnership development. The post-issuance responsibilities of the Portfolio Manager include borrower management, ongoing announcements made on the SGX, and periodic social and financial reporting to investors and other stakeholders.

Other Key Partners

To magnify the WLB 3's success in bringing women to the front and centre of capital markets, IIX uses an ecosystem approach by engaging a wide range of partners. Key partners include:

- **Guarantee Partner:** As outlined above, the DFC will provide a 50% pari-passu guarantee of the principle amount of each of the Loans to be made by the SPV, in line with the US government's commitment to drive forward sustainable development and empower women from underserved communities.
- **Banking Partner:** Australian New Zealand (ANZ) Bank, Standard Chartered Bank (SCB) and DBS Bank serve as the placement agents for the WLB 3. Collectively, the three banking partners will place the WLB 3 with both institutional investors and private banking clients. In previous years, the WLB series has attracted capital from a wide range of investors including large institutional investors, funds, microfinance investment vehicles, family offices and ultra-high-net-worth individuals. Investors have participated from across the world including Australia, Hong Kong, Indonesia, New Zealand, Singapore, Switzerland, the United Kingdom and the United States of America.

- **Legal Partners:** The WLB 3 has benefitted from the advice of four pro-bono legal partners: (i) Shearman & Sterling (counsel to the Portfolio Manager); (ii) Latham & Watkins (counsel to the placement agent); (iii) Cyril Amarchand Mangaldas (local counsel); and (iv) Clifford Chance (counsel to the trustee). In addition, IIX will partner with a number of other law firms to ensure the WLB 3 is in compliance with local regulations.
- **Funding Partners:** IIX has received support from Global Affairs Canada (GAC) via the United Nations Capital Development Fund (UNCDF) and United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and Partnering for Green Growth and the Global Goals (P4G) to cover the upfront structuring and ongoing impact monitoring costs of the WLB 3.



2 Compliance with Applicable Principles and Standards

2A ICMA Social Bond Principles - External Review Form

2A.1 Basic Information

Issuer name: WLB Asset II B Pte Ltd

Social Bond ISIN or Issuer Social Bond Framework Name, if applicable: Women's Livelihood Bonds due [2024]

Independent External Review provider's name: IIX Global Charitable Limited

Completion date of this form: 11 November 2020

2A.2 Review Overview

SCOPE OF REVIEW

The review assessed the following elements and confirmed their alignment with the SBPs:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF INDEPENDENT REVIEW PROVIDER

- | | |
|---|---|
| <input checked="" type="checkbox"/> Second Party Opinion | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Scoring/Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

EXECUTIVE SUMMARY OF REVIEW

IIX Global Charitable Limited is of the opinion that the Women's Livelihood Bond 3 (WLB 3) is consistent with current Social Bond Principles (SBP) 2020, as promulgated by the International Capital Markets Association (ICMA). According to IIX Global Charitable Limited's analysis, the WLB 3 aligns with the four tenets of the SBP: (i) use of proceeds; (ii) process for project evaluation and selection; (iii) management of proceeds; and (iv) reporting. The full report will be made available online on the Portfolio Manager's website: www.iixglobal.com

As part of this analysis, IIX Global Charitable Limited Foundation held conversations with relevant members of the portfolio management team from Impact Investment Exchange Pte. Ltd. (IIX or the Portfolio Manager) and reviewed relevant public and internal documents provided by the Portfolio Manager and the group of underlying Borrowers.

Detailed review

2A.3 Use of Proceeds

Overall comment on section: IIX Global Charitable Limited has determined that the use of proceeds of the WLB 3 is consistent with the criteria under the SBP 'use of proceeds' tenet. IIX Global Charitable Limited sighted the following documents as a part of its analysis: (i) WLB 3 draft Information Memorandum; (ii) the Portfolio Manager's impact assessment frameworks for each underlying borrower; and (iii) additional documentation provided by underlying Borrowers including but not limited to business plans, annual reports and documents containing end beneficiary related data.

The WLB 3 is designed to generate employment and support socio-economic advancement of underserved women from rural, low-income, disadvantaged or financially excluded communities. The entire proceeds of the WLB 3 will be used to make new loans to eight underlying Borrowers in Cambodia, India, Indonesia and the Philippines. Each of those Borrowers through their activities provide clear social benefits by empowering women to transition from subsistence to sustainable livelihoods. These underlying Borrowers collectively drive forward the United Nation's Sustainable Development Goal (SDG) 5: Gender Equality by providing the following: (i) access to micro-credit, micro-savings; and micro-insurance products to women from low-income communities; (ii) access to SME-loans to women-owned businesses; (iii) fair wages for female garment factory workers; and (iv) formal integration of female smallholder farmers into the agricultural supply chain.

For every US\$1 invested, the WLB 3 is expected to generate US\$4 of social value by empowering women to (i) increase income; (ii) build financial resilience; (iii) increase ownership of assets (e.g. land and homes); (iv) improve productivity; and (v) gain better access to market information and fair prices. The WLB 3 is expected to directly empower 60,000+ underserved women to transition from subsistence to sustainable livelihoods and to indirectly impact an additional 120,000+ female family members through improved socio-economic resilience (better health, nutrition, education, water, sanitation, safety, shelter, and climate-resilience related outcomes).

Use of proceeds categories as per SBP:

- | | |
|--|--|
| <input type="checkbox"/> Affordable basic infrastructure | <input type="checkbox"/> Access to essential services |
| <input type="checkbox"/> Affordable housing | <input checked="" type="checkbox"/> Employment generation (through SME financing and microfinance) |
| <input checked="" type="checkbox"/> Food security | <input checked="" type="checkbox"/> Socioeconomic advancement and empowerment |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with SBP categories, or other eligible areas not yet stated in SBPs | <input checked="" type="checkbox"/> Other (please specify): Gender Equality, Sustainable Livelihoods |

Target populations:

- Living below the poverty line
- Excluded and/or marginalised populations and /or communities
- People with disabilities
- Migrants and /or displaced persons
- Undereducated
- Underserved, owing to a lack of quality access to essential goods and services
- Unemployed
- Women and/or sexual and gender minorities
- Aging populations and vulnerable youth
- Other vulnerable groups, including as a result of natural disasters
- Other (*please specify*):

2A.4 Process for Project Evaluation and Selection

Overall comment on section: IIX Global Charitable Limited has determined that the process for evaluation and selection of projects to be financed with proceeds of the WLB 3 is consistent with the criteria under the SBP ‘process for project evaluation and selection’ tenet. IIX Global Charitable Limited sighted the following documents as a part of its analysis: (i) WLB 3 Portfolio Construction Process document which details the social objectives and impact assessment process utilized by the Portfolio Manager; and (ii) United States International Development Finance Corporation (DFC) Guarantee agreement which includes eligibility and exclusionary criteria.

The WLB 3 is in compliance with the key criteria under this tenet as briefly outlined below:

Social objective: The WLB 3 core objective is to unlock large-scale private capital to drive forward the UN’s SDG 5: Gender Equality and empower socially and economically disadvantaged women through sustainable livelihoods. This objective is in line with the Portfolio Manager’s mission to build a more inclusive world by changing financial systems and innovating solutions for women empowerment, climate action and community resilience. As required by the ICMA SBP, the Portfolio Manager clearly communicates the social objectives of the Bond, the screening criteria used and portfolio selection process to investors through the Bond’s Information Memorandum and other supporting investor presentations. [Section 3 of this report provides a mapping of the WLB3’s expected impact to advance 13 of the 17 UN SDGs.]

Process to determine projects aligned with categories defined under the 'use of proceeds' section: As part of the WLB 3 portfolio construction process, the Portfolio Manager conducts a social and financial due diligence on potential underlying Borrowers. This is used to screen Borrowers based on their risk, return and impact profile with a strong focus on their ability to empower women through the WLB3 loan. Shortlisted Borrowers go through the Portfolio Manager's in-depth impact assessment which includes using a forward-looking approach that is linked with the capital mobilized from the WLB 3. All impact assessments include interviews with the end beneficiaries, thereby ensuring underserved women have a voice and are given adequate value during the portfolio construction and investment decision making process. The Portfolio Manager's impact assessment approach transcends the evaluation of outputs (number of women impacted) and focuses on the evaluation of outcomes (positive change to women's lives) using a forward-looking approach that is linked with the capital mobilized from the WLB 3. The criteria are both results-oriented (e.g. increase in income or savings) and process-based (ability and willingness of the borrower to achieve, maintain and track impact targets). The approach of measuring impact at the borrower level and the portfolio level allows for both relative and absolute assessment as well as tracking progress over time to facilitate reporting.

Eligibility criteria: The Portfolio Manager uses a set of social and financial screening criteria to select underlying Borrowers that are able to absorb, deploy and repay debt capital and use the loan proceeds to empower underserved women. Additionally, the Portfolio Manager contractually binds underlying Borrowers not to engage in certain activities that would violate its list of exclusionary criteria. These selection and exclusionary criteria are pre-determined and contractually agreed upon with the DFC, the guarantee partner. Key positive social criteria used to screen Borrowers are outlined below:

- Clear commitment to/mission of empowering women demonstrated by ensuring that (i) not less than seventy percent (70%) of the beneficiaries of the Borrower are underserved (low-income, rural) women or women-owned businesses; (ii) the Borrower ring-fences the loan to ensure proceeds impact majority women beneficiaries or women-owned businesses; or (iii) the Borrower proactively targets women beneficiaries in an industry where women are underrepresented and thereby serves a total percentage of women beneficiaries that is higher than the industry standard.

- Key business activities of the Borrower help achieve one or more of the following primary outcomes: (1) increased income generation ability or stability of income; (2) increased access to clean and/or stable energy sources; (3) increased access to stable employment opportunities or formal integration into agricultural/industrial supply chains; (4) increased ownership of assets (house, land, etc.); (5) increased productivity or time savings; (6) increase access to skills or market information; and/or (7) increased access to other essential products or services that improve financial resilience or quality of life for women beneficiaries or dependent family members (young children, elderly parents).

Evaluation and selection

- | | |
|---|--|
| <input checked="" type="checkbox"/> Credentials on the issuer's social objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Social Bond proceeds | <input type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> Summary criteria for project evaluation and selection publicly available | <input type="checkbox"/> Other (<i>please specify</i>): |

Information on Responsibilities and Accountability

- Evaluation / Selection criteria subject to external advice or verification –DFC provided the list of exclusionary criteria and approved the list of mandatory screening criteria.
- In-house assessment – IIX, the Portfolio Manager, was responsible for the upfront evaluation and screening of underlying Borrowers to construct the WLB 3 portfolio
- Other (please specify):

2A.5 Management of Proceeds

Overall comment on section: IIX Global Charitable Limited has determined that the WLB 3 is consistent with the criteria under the SBP 'management of proceeds' tenet. The proceeds of the WLB 3 will be managed with a high degree of transparency. The use of proceeds will be governed by a Trust Deed (the WLB 3 Trust Deed), which is legally binding on the Issuer. Compliance with the terms of the WLB 3 Trust Deed will be ensured through the engagement by the Issuer of multiple third-party service providers including the Trustee (Bank of New York Mellon) and the Corporate Services Provider, CSC GFM Asia Services (Singapore) Pte Ltd ("CSC GFM"). IIX Global Charitable Limited sighted the following documents as a part of its analysis: (i) WLB 3 Trust Deed; (ii) Portfolio Management Agreement; (iii) Loan Administration Services Agreement; (iv) Administrative Services Agreement.

The issuer (WLB Asset II B Pte. Ltd.) is a Special Purpose Vehicle (SPV) established specifically to issue the bonds and make the loans to the underlying Borrowers. As such, all of the proceeds will be used for the purpose of lending to the eight underlying Borrowers to expand their work to empower underserved women and thereby advance SDG 5: Gender Equality.

The proceeds of the issuance of the Bonds will be used to extend loans to the eight underlying Borrowers. It is expected that these loans will be extended immediately after the closing of the issuance of the Bonds. In the event that any of the bond proceeds are not disbursed within 90 days of the closing of the issue of the Bonds, any undisbursed proceeds held by the Issuer will be distributed as a prepayment of principal to the Bondholders. CSC GFM will report to the bond trustee, BNY Mellon, on the use of proceeds and specifically on the disbursement of the Loans.

Tracking of proceeds:

- Social Bond proceeds segregated or tracked by the issuer in an appropriate manner
- Disclosure of intended types of temporary investment instruments for unallocated proceeds
- Other (please specify): *The issuer is an SPV. All of its funds will be used to achieve its social mission.*

Additional disclosure:

- Allocations to future investments only
- Allocations to both existing and future investments
- Allocation to individual disbursements
- Allocation to a portfolio of disbursements

- Disclosure of portfolio balance of unallocated proceeds Other (please specify): Unallocated proceeds to be returned to Bondholders

2A.6 Reporting

Overall comment on section: IIX Global Charitable Limited has determined that the WLB 3 is consistent with the criteria under the SBP 'reporting' tenet. IIX Global Charitable Limited sighted the following documents as a part of its analysis: (i) WLB 3 Portfolio Management Agreement; and (ii) the Promissory Notes with each underlying borrower which mandate semi-annual impact assessment reporting.

After the WLB 3 is placed with investors and the loans have been disbursed to the Borrowers, the Portfolio Manager will monitor the impact performance of the Borrowers on a semi-annual basis and provide semi-annual impact reports over the life of the bond. These semi-annual impact reports will consist of a combination of qualitative (stories, SDG analysis) and quantitative information (Social Return on Investment analysis, no. of women impacted) to provide investors with a holistic understanding of the impact achieved. Key activities for the monitoring, evaluation and reporting of the WLB 3 impact performance over the bond's 4-year lifetime include:

1. On a semi-annual basis, the issuer will collect self-reported impact data from the Borrowers. The Portfolio Manager will use this information to provide investors and other partners with semi-annual impact reports to ensure transparency of information on how the bond proceeds were used to meet the social objectives of the Bond. The Borrowers' actual impact performance will be compared to the original impact targets from the upfront impact assessments. This process will enable IIX to check actual impact against projected impact.
2. On an annual basis, the Portfolio Manager will verify the Borrowers' self-reported impact data via in-person and mobile enabled stakeholder surveys. The Portfolio Manager will use this data to prepare annual impact reports for investors and other key partners. Collecting primary data from a sample of the women impacted by each of the underlying Borrowers aims to ensure authenticity of the impact and to give end beneficiaries (underserved women) a voice in the process, in line with the Portfolio Manager's commitment to advancing SDG 5: Gender Equality.
3. The Portfolio Manager will make announcements on the Singapore Exchange Securities Trading Limited (the "SGX-ST") in the case of any material changes to the underlying Borrowers that may alter the expected social or financial performance of the Bond. This ensures a high degree of transparency on the underlying portfolio.

Note on Impact Assessment Approach:

The Portfolio Manager takes a two-pronged approach to ongoing impact management:

Results-orientated approach: The Portfolio Manager takes a results-oriented approach by assessing a combination of quantitative and qualitative factors. Quantitative information will focus on estimating number of women impacted, assessing key financial performance factors that are linked to understanding the impact efficiency and effectiveness, comparing actual social value generated with projections and breaking down the SROI calculation across different outcome areas. Qualitative information will focus on gathering anecdotal references from interviews with the women, capturing stories of change and deepening the understanding of linkages between estimated primary, secondary and tertiary outcomes.

Process-oriented approach: The Portfolio Manager takes a process-oriented approach that seeks to supervise the borrower’s own impact performance management systems, particularly focused on ensuring women are treated with dignity, offered fair prices (or interest rates in the case of MFIs) and are protected from risks (such as over-indebtedness, inadequate redressal systems) that may cause mission drift. In certain cases, compliance with international standards is periodically assessed, such as SMART certification for MFIs and organic certification for sustainable agriculture enterprises.

Use of proceeds reporting:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Project-by-project – <i>Reports will outline impact created by each of the underlying Borrowers (i.e. 'projects')</i> | <input checked="" type="checkbox"/> On a project portfolio basis – <i>Reports will provide portfolio level information such as the net Social Return on Investment achieved by the WLB₃</i> |
| <input checked="" type="checkbox"/> Linkage to individual bond(s) – <i>Reports will contain impact results related to WLB₃</i> | <input type="checkbox"/> Other (<i>please specify</i>): |

Information reported:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Allocated amounts | <input type="checkbox"/> Social Bond financed share of total investment |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Frequency:

- | | |
|--|---|
| <input type="checkbox"/> Annual | <input checked="" type="checkbox"/> Semi-annual – <i>Semi Annual Impact Reports will be published and be made available to investors and other key stakeholders</i> |
| <input checked="" type="checkbox"/> Other (<i>please specify</i>): <i>Announcement made on Singapore Exchange each time allocated bond proceeds are distributed to an underlying borrower of the portfolio (net proceeds are expected to be distributed within 90 days of bond issuance)</i> | |

Impact reporting:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Project-by-project | <input checked="" type="checkbox"/> On a project portfolio basis |
| <input checked="" type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other (<i>please specify</i>): |

Frequency:

- Annual – *Full impact assessment and report incorporating verified data*
- Semi-annual – *Report based on data self-reported by the Borrowers*
- Other (*please specify*):

Information reported (expected or ex-post):

- Number of beneficiaries
- Target populations
- Other ESG indicators (*please specify*):
The Portfolio Manager will report gender-lens outcomes achieved related to increased income, increased financial resilience, increased ownership of assets, increased access to skills, increased productivity, increased access to market, improved multi-generational impact, improved community resilience, improved climate action

Means of Disclosure

- Information published in financial report
- Information published in sustainability report
- Information published in ad hoc documents
- Other (*please specify*): *Information will be published in a Social Impact Report published semi-annually*
- Reporting reviewed (*if yes, please specify which parts of the reporting are subject to external review*):
IIX Global Charitable Limited will review the Social Impact Reports published annually to verify ongoing compliance with the ICMA’s SBP.

Review provider(s): IIX Global Charitable Limited

Date of publication: 11 November 2020

2B ASEAN Social Bond Standards – Brief Overview of WLB

3 Compliance

IIX Global Charitable Limited confirms that the WLB 3 is in compliance with the ASEAN Social Bond Standards developed by the ASEAN Capital Markets Forum (ACMF). The ASEAN Social Bond Standards are broadly guided by the four core tenets of the ICMA's Social Bond Principles (i.e. (i) use of proceeds, (ii) process for project evaluation and selection, (iii) management of proceeds, and (iv) reporting), discussed in Section 2A above, along with the following additional requirements:

1. **Geographic or Economic Connection to ASEAN:** The Issuer of the WLB 3 is a Singapore-incorporated Special Purpose Vehicle (SPV), WLB Asset II B Pte Ltd, established as a wholly owned subsidiary of the Portfolio Manager, IIX. Additionally, the WLB 3 will be listed on the SGX, and majority of the underlying Borrowers are based in ASEAN nations including Indonesia, Cambodia and the Philippines.
2. **Ineligible Projects:** The WLB 3 does not support projects with a negative social impact related to alcohol, gambling, tobacco and weaponry. Moreover, potential Borrowers are screened based on a set of exclusionary criteria, outlined in Annex A of this document.
3. **Continuous Accessibility to Information:** The WLB 3 provides investors with information relating to the use of proceeds, process for project evaluation and selection, and management of proceeds via (i) information included in the Information Memorandum for the WLB 3 and this Second Party Opinion document (which will be available on the Portfolio Manager's website); (ii) ad-hoc announcements made on the Singapore Exchange related to any material changes to the underlying Borrowers; and (iii) ongoing reporting: semi-annual social and financial reporting.
4. **Encourage More Frequent Reporting:** As described above, the WLB 3 will provide investors and other key stakeholders with semi-annual impact and financial reporting to increase transparency on the allocation of proceeds. Annual impact assessments will benefit from impact verification visits conducted by the Portfolio Manager to speak directly with the women beneficiaries and ensure the WLB 3 continues to meet its social mission.
5. **External Review:** As described above, IIX Global Charitable Limited serves as the external reviewer for the WLB 3 and has provided this Second Party Opinion on the WLB 3's compliance with the ICMA's Social Bond Principles and the ASEAN Social Bond Standards. The Foundation is a Singapore registered charity (No. 201006538Z) with a decade of experience in impact measurement, gender-lens analysis and sustainable development. IIX Global Charitable Limited is registered under the Singapore Commissioner of Charities (COC), under the purview of the Ministry of Culture, Community and Youth (MCCY) and the Ministry of Community Development, Youth and Sports (MCDY). The Singapore COC ensures public trust and confidence in registered charities by enhancing the accountability and transparency of charities to donors, beneficiaries and the general public.

In summary, the WLB 3 is in compliance with the ASEAN Social Bond Standards and aims to contribute to sustainable development in the ASEAN region, particularly through the empowerment of underserved women in the region through sustainable livelihoods.



SECTION 3

RC ROYAL

3 Additional Information

The purpose of this section is to outline key information provided by the Portfolio Manager to support IIX Global Charitable Limited’s analysis of the WLB 3’s compliance with the ICMA SBPs, particularly the use of proceeds tenet. The section includes (i) the impact assessment framework used to assess how the Portfolio Manager evaluates gender-lens outcomes on end beneficiaries (underserved women); and (ii) a summary of the expected impact of the WLB 3 at the portfolio level to assess how the Portfolio Manager creates impact through a multi-country, multi-sector portfolio while advancing the United Nation’s Sustainable Development Goals.

3.1 Impact Assessment Framework

This sub-section provides an overview of the Impact Assessment Framework that was used to evaluate the underlying Borrowers in the WLB 3 portfolio using a gender-lens. This framework is used both during the upfront social due diligence done when constructing the portfolio and to facilitate ongoing reporting across the four years of the Bond.

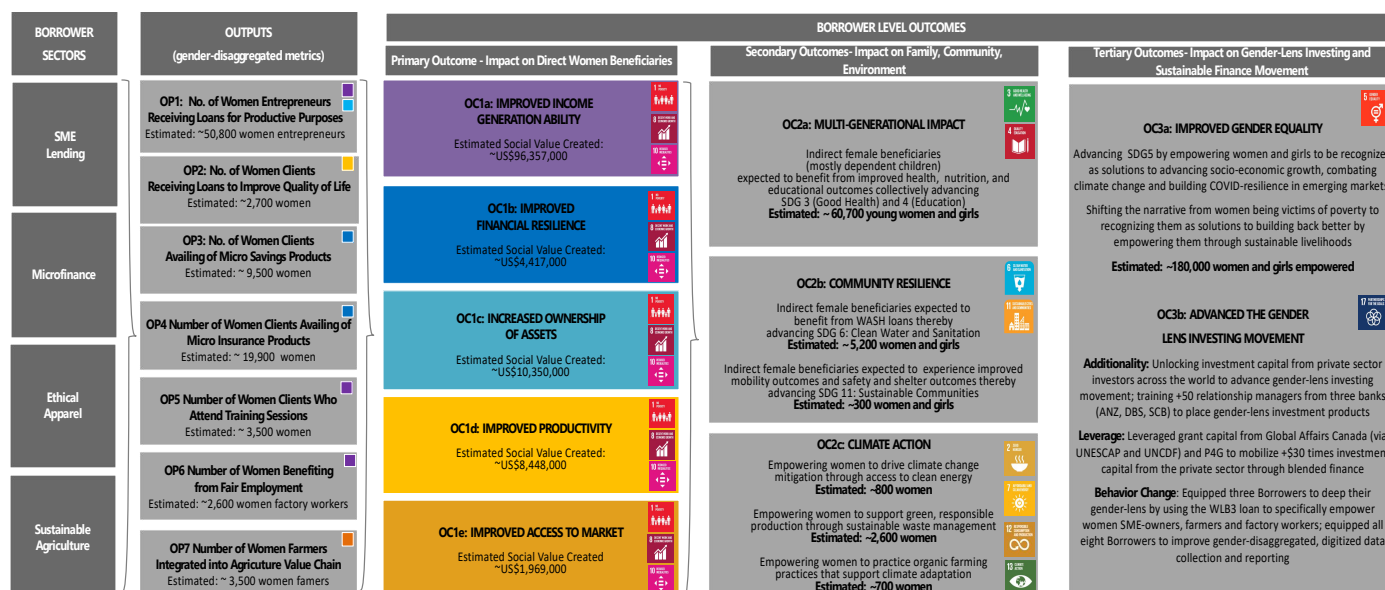
To evaluate the social performance of the Borrowers, the Portfolio Manager utilizes a social impact assessment framework to: (a) map out how each Borrower can achieve the expected primary, secondary and tertiary outcomes, (b) track the actual performance of the Borrower in empowering women and (c) identify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

Master Framework

The Portfolio Manager embarks on the impact measurement process via 3 distinct steps: (i) establishing an impact assessment framework focused on gender lens outcomes; (ii) attaching gender-specific metrics to ensure women have a voice and a value; and (iii) identifying financial proxies to project impact and link it with capital mobilized. These steps are further elucidated below:

#1: Establishing an impact assessment framework focused on gender lens outcomes: Figure 5 outlines the Portfolio Manager’s impact assessment framework used to establish the linkages between the activities undertaken by the Borrowers and their expected social outcomes on underserved women along the sustainable livelihoods value chain. The following section describes and quantifies the key outputs and outcomes expected to be achieved in aggregate, by the Borrowers utilizing the proceeds of the WLB 3 Loans.

Figure 5: Portfolio Level Impact Assessment Framework



OUTPUTS (“OP”)

The 7 key outputs are listed and explained below:

OP 1: Number of Women Entrepreneurs Receiving Loans for Productive Purposes: Each of our MFI Borrowers lends primarily for productive purposes, with approximately 80% to 100% of loans being made to women who are micro entrepreneurs or running small businesses. “Productive purposes” refers to assets that either directly generate income or facilitate the generation of income, thereby improving livelihoods. Examples of such assets include a sewing machine that expands revenue streams of a seamstress or working capital for a woman to run her dairy farm. The Portfolio Manager estimates that the proceeds of the Loans will impact approximately 50,800 women entrepreneurs to sustain and grow their businesses over the four-year tenor of the Loans.

OP 2: Number of Women Clients Receiving Loans to Improve Quality of Life: In South and Southeast Asia, credit offerings for non-business purposes remains limited¹ and subject to high interest rates.² Some of our MFI Borrowers fill this gap by offering affordable loans designed to finance the purchase of items in high demand among their clients that go beyond productive assets. Examples of these other microcredit products offered by our MFI Borrowers include WASH (water, sanitation, and hygiene) loans; clean energy loans (such as for purchasing a solar photovoltaic system); and personal mobility loans (such as for purchasing a motorcycle). The Portfolio Manager estimates approximately 2,700 women will be provided with micro-loans to improve their quality of life over the four-year tenor of the Loans.

OP 3: Number of Women Clients Availing of Micro Savings Products: The percentage of adult females saving at a formal financial institution is low, ranging from 5.3% in Cambodia to 19.6% in India (as of 2017).³ This is due to both supply-side barriers, such as inadequate access and a lack of savings products appropriate for rural households, and demand-side barriers, such as lack of information among potential clients and lack of trust of formal financial institutions.⁴ Some of our MFI Borrowers address these barriers by designing savings products that suit the needs of low-income women. Examples of micro savings products offered include mandatory savings, voluntary savings, pension savings, and fixed deposit products. The Portfolio Manager estimates that the proceeds of the Loans will impact approximately 9,500 women with micro-savings products over the four-year tenor of the Loans.

OP 4: Number of Women Clients Availing of Micro Insurance Products: Low-income households stand to benefit significantly from micro insurance products to help them better absorb, respond to and bounce back from adverse events that negatively impact their livelihoods. For example, among rural households, illness and death of a family member are 2 of the top 3 reasons most likely to result in impoverishment.⁵ Yet, in developing countries, insurance coverage remains as low as below 5% of the population, and insurance products available are often too expensive⁶ or inappropriate for low-income clients.⁷ Some of our MFI Borrowers address this unmet demand by offering affordable micro insurance products such as life insurance, health insurance and accident insurance. The Portfolio Manager estimates that the proceeds of the Loans will impact approximately 19,900 women with micro-insurance products over the four-year tenor of the Loans.

OP 5: Number of Women Clients Who Attend Training Sessions: Women in developing countries often lack the financial literacy skills⁸ required to manage their debt obligations; providing credit to such women risks creating a cycle of indebtedness⁹ that could adversely impact low income families. In contrast, providing financial literacy training alongside access to credit has been found to improve repayment times, repayment rates, and client retention.¹⁰ Examples of training sessions offered to women clients by our Borrowers include courses on financial literacy and business acumen. One of the Borrowers, the sustainable agriculture company, provides training on basic agricultural practices (i.e., fertilizer use, water use, crop planting). The Portfolio Manager estimates that the proceeds of the Loans will impact approximately 3,500 women with access to basic skills and training over the four-year tenor of the Loans.

¹ Ogden, T. (2016). *The Case for Social Investment in Microcredit*. Financial Access Initiative. <https://www.financialaccess.org/publications-index/2016/ogdenmicrocredit>

² Diaz-Martin, L. (2018). *Microcredit: Impacts and Limitations*. Jameel Poverty Action Lab. <https://www.povertyactionlab.org/policy-insight/microcredit-impacts-and-limitations>

³ World Bank Global Findex (2017). <https://databank.worldbank.org/source/g20-financial-inclusion-indicators>

⁴ Roa, M.J. and Di Giannatale, S. (2016). *Formal Saving in Developing Economies: Barriers, Interventions, and Effects* (working paper). IDB. https://www.researchgate.net/publication/312577448_Formal_Saving_in_Developing_Economies_Barriers_Interventions_and_Effects

⁵ Wagstaff, A. (2008). *Cushioning the Effects of Health Shocks on Households*. World Bank. <http://documents.worldbank.org/curated/en/929951468152384480/pdf/539130BR10Wags10Box345633Bo1PUBLIC1.pdf>

⁶ Bauchet, J. et al. (2011). *Latest Findings from Randomized Evaluations of Microfinance*, p.18. CGAP. <https://www.povertyactionlab.org/sites/default/files/publications/FORUM2.pdf>

⁷ Lloyd's (2009). *Insurance in Developing Countries: Exploring Opportunities in Microinsurance*. <https://www.lloyds.com/approximately/media/lloyds/reports/360/360-other/insuranceindevelopingcountries.pdf>

⁸ Karakurum-Ozdemir, K., Kokkizil, M., and Uysal, G. (2019). “Financial literacy in developing countries.” *Social Indicators Research*, 143(1), pp.325-353. <https://link.springer.com/article/10.1007/s11205-018-1952-x>

⁹ Smits, J. and Günther, I. (2017). *Microcredit, Financial Literacy and Household Financial Distress*. ETH Zurich. <https://www.ethz.ch/content/dam/ethz/special-interest/gess/nadel-dam/documents/research/Overindebtedness/Microcredit.pdf>

¹⁰ Awunyo-Vitor, D. (2013). “Determinants of loan repayment default among farmers in Ghana.” *African Journal of Economics*, 1(3), pp.71-76. <http://citeseerx.ist.psu.edu/viewdoc/download;jsessionid=6E0FC0A2E3A4DA7CC383622A724FC847?doi=10.1.1.672.3460&rep=rep1&type=pdf>

OP 6: Number of Women Benefiting from Fair Employment: One of the Borrowers, is an ethical apparel company based in Indonesia that employs women from low-income communities and provides them with stable employment and fair wages. In order to ensure the safety of their employees, The Borrower requires all employees to be trained on essential safety and health measures before using any machinery. The Loans will be used to ensure the company's practices are in line with national regulations on fair wages (as set by Indonesia's Ministry of Labor), fair working conditions and sustainable production practices.¹¹ The Portfolio Manager estimates that the proceeds of the Loans will impact approximately 2,600 women factory workers with fair wages and working conditions over the four-year tenor of the Loans.

OP 7: Number of Women Farmers Integrated into Agriculture Value Chain: The sustainable agriculture company based in India that plans to use the Loan to formally integrate women smallholder farmers into its supply chain. The sustainable agriculture company will use its Loan proceeds to increase the proportion of women smallholder farmers signing farming contracts from 10% to 50% by year 4 of its Loan. The formal recognition of the role of female farmers and ensuring women are paid for their work in the agricultural sector is a critical move to close India's gender gap in employment, where there is only 0.27 woman to every man in the labor force (as of 2019),¹² as well as its gender pay gap, where on average women earn only 66% of men's wages.¹³ The Portfolio Manager estimates that the sustainable agriculture company will formally integrate approximately 3,500 women smallholder farmers into the agriculture supply chain over the four-year tenor of the Loan.

PRIMARY OUTCOMES ("OC1")

Based on data collected during interviews with women beneficiaries during the social due diligence field visits, these 7 outputs collectively generate 5 primary outcomes: (1) improved income generation ability (2) improved financial resilience, (3) increased ownership of assets, (4) increased access to skills, (5) improved productivity, and (6) improved access to market, as explained below.

OC 1a: Improved Income Generation Ability: Improved Income Generation Ability is a result of OP1 (increased number of clients borrowing microcredit products for productive purposes) and OP6 (increased number of women employed) as detailed below:

- Women borrowers are able to use their loans to cover working capital costs and to purchase income-generating assets to sustain and expand their microbusinesses.¹⁴ Aside from this, access to microcredit has also been found to decrease casual wage labor and promote self-employment.¹⁵ This helps women to increase their income generation ability in the range of 20% to 80% (per field trip data collected during the social due diligence) and to stabilize their ability to generate income.
- Women employees in the Ethical Apparel Borrower factories are able to use their stable income to plan ahead their expenses and savings. This extra income is used by the employees to further support their families' well-being and pay for their children's education fees and allowance. Additionally, factory workers benefit from yearly assessments which can ultimately lead to a salary increase depending on their performance and seniority.

The Portfolio Manager estimates that the provision of the Loans to the Borrowers will generate approximately US\$96.35 million of social value in the form of increased income over the four-year tenor of the Loans.

OC 1b: Improved Financial Resilience: Improved Financial Resilience is a result of OP3 (increased number of women clients availing of micro savings products) and OP4 (increased number of women clients availing of micro insurance products) as detailed below:

- Savings improve the ability of women to maintain stable livelihoods following unexpected events, such as illness and natural disasters.¹⁶ Formal savings products as offered by MFIs are less risky than informal savings;¹⁷ for instance, many rural women still save money in their homes which is not as secure and also tends to be used up for petty expenses as opposed to being systematically built up over time to improve financial security.
- Providing micro-insurance to rural households can insulate against unexpected events by ensuring women have access to a financial safety net in case of adverse events that negatively impact their health, productivity or livelihood.

The Portfolio Manager estimates that the provision of the Loans to the Borrowers will generate approximately US\$4.41 million of social value in the form of increased savings and insurance over the four-year tenor of the Loans.

¹¹ International Labor Organization (2012). Working Conditions Law Report 2012. https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_235155.pdf

¹² World Bank Gender Data Portal (2019). <http://datatopics.worldbank.org/gender/country/cambodia>

¹³ Dara, M. and Handley, E. (2018). "Putting a price on gender parity." *The Phnom Penh Post*, 9 March 2018. <https://www.phnompenhpost.com/national-post-depth/putting-price-gender-parity-cambodias-women-face-growing-pay-gap-limits>

¹⁴ Bhattacharyya, R. (2019). "Gender pay gap high in India: Men get paid Rs 242 every hour, women earn Rs less", 7 March 2019, <https://economictimes.indiatimes.com/magazines/panache/gender-pay-gap-still-high-women-in-india-earn-19-pc-less-than-men-report/articleshow/68302223.cms>

¹⁵ Cull, R. and Morduch, J. (2017). *Microfinance and Economic Development*. <https://wagner.nyu.edu/files/faculty/publications/Cull%20and%20Morduch%20-%20Microfinance%20and%20Economic%20Development.pdf>

¹⁶ DeLoach, S.B. and Smith-Lin, M. (2017). *The Role of Savings and Credit in Coping with Idiosyncratic Household Shocks*. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3036606

¹⁷ Wright, G. and Mutesasira, L. (2001). *The Relative Risks to the Savings of Poor People*. MicroSave. http://www.microsave.net/files/pdf/The_Relative_Risks_to_the_Savings_of_Poor_People_Wright_et_al.pdf

OC 1c: Increased Ownership of Assets: Increased ownership of assets is a result of OP2 (increased number of women clients borrowing microcredit products for other purposes). In certain cases, larger loan products offered by certain Borrowers are sometimes used by women beneficiaries to buy land for housing or agriculture. Ownership of property provides women with loan collateral and insulates them against shocks, allowing them to access more formal financial services, take more economic risks, and increase their earning potential. Owning property also increases the bargaining power of women in the household, giving them more control over economic decision-making and their own livelihoods.¹⁸

The Portfolio Manager estimates that the provision of the Loans to the Borrowers will generate approximately US\$10.35 million of social value in the form of increased ownership of land and home improvements over the four-year tenor of the Loans.

OC 1d: Improved Productivity: Improved productivity is a result of OP2 (increased number of women clients borrowing microcredit products for other purposes). While loans for non-business purposes do not directly generate income, they reduce the amount of time required for certain activities and increase the number of productive hours available. For example, a tube well built using a WASH loan may reduce the amount of time spent on fetching water, a latrine built using a WASH loan may improve sanitation and reduce days lost due to illness, and a motorcycle bought using a personal mobility loan may reduce the amount of time spent on traveling to work. Such loans also play an important role in smoothing consumption and improving the general well-being of women and their families,¹⁹ which in turn improves their ability to transition to more sustainable livelihoods.

The Portfolio Manager estimates that the provision of the Loans to the Borrowers will generate approximately US\$8.44 million of social value in the form of time saved over the four-year tenor of the Loans.

OC 1e: Improved Access to Market: Improved access to market is a result of OP7 (increased number of women farmers being sourced from). The sustainable agriculture company sources marigold from smallholder farmers from low income communities, with 10% of them being women. The farmers are equipped with increased earnings through improved access to market and fair price premiums on organic marigold (20% of total crops). Stable demand of production and integration into the formal value chain helps improve social and economic inclusion. Organic farming can increase income by up to 2.5 times due to market premiums²⁰ and requires contractual agreements that provide farmers with price transparency and guaranteed demand for their produce.²¹

The Portfolio Manager estimates that the provision of the Loans to the Borrowers will generate approximately US\$1.96 million of social value in the form of fair pricing to farmers over the four-year tenor of the Loans.

SECONDARY OUTCOMES (“OC2”)

These 5 primary outcomes collectively result in 3 secondary outcomes: (1) multi-generational impact; (2) community resilience; and (3) climate action.

OC 2a: Multi-Generational Impact: When women have control over the family’s income, a large portion is spent on their families, particularly on dependent children.²² Improved status of women in the household and female control over family finances correlates with improved health and nutrition for their children, through pathways such as better nutrition for pregnant and nursing mothers, access to prenatal and birthing care, improved children feeding practices, and better medical treatment and immunization for children.²³ Women beneficiaries with more disposable income report an increased likelihood of ensuring their daughters attend and complete primary and secondary education; in selected cases, women beneficiaries also report using their savings to send their daughters for higher studies, thereby laying the ground to break the cycle of poverty.

The Portfolio Manager estimates that the proceeds of the Loans will directly impact approximately 60,700 young women and girls with improved health, nutrition and education outcomes over the four-year tenor of the Loans.

OC 2b: Community Resilience: Through the primary outcomes described above, women are better able to secure ownership over property and improve their housing and living conditions. This reduces dependency on men, improves women’s social

¹⁸ ICRW (2005). *Property Ownership for Women Enriches, Empowers and Protects*. <https://www.icrw.org/wp-content/uploads/2016/10/Property-Ownership-for-Women-Enriches-Empowers-and-Protects-Toward-Achieving-the-Third-Millennium-Development-Goal-to-Promote-Gender-Equality-and-Empower-Women.pdf>

¹⁹ Bauchet, J. et al. (2011). *Latest Findings from Randomized Evaluations of Microfinance*. CGAP. <https://www.povertyactionlab.org/sites/default/files/publications/FORUM2.pdf>

²⁰ Khoy, R., Nanseki, T., and Chomei, Y. (2016). “Assessment of the premium on rice yield and rice income from adoption of organic rice farming for Cambodian farmers: An application of endogenous switching regression.” *Journal of Agricultural Economics and Development*, 5(2), p.33-44. <http://academeresearchjournals.org/download.php?id=720114866243224680.pdf&type=application/pdf&op=1>

²¹ FAO (2013). *Contract Farming for Inclusive Market Access*. <http://www.fao.org/3/a-i3526e.pdf>

²² Clinton Global Initiative (2009). *Empowering Girls & Women*. <https://www.un.org/en/ecosoc/phlntrpy/notes/clinton.pdf>

²³ Smith, L. et al. (2002). *The Importance of Women’s Status for Child Nutrition in Developing Countries*. IFPRI. <https://tind-customer-agecon.s3.amazonaws.com/egfa4f26-1278-4fe8-b7a7-0bbd87dc8b2?response-content-disposition=inline%3B%20filename%2A%3DUTF-8%27%627rr030131.pdf&response-content-type=application%2Fpdf&AWSAccessKeyId=AKIAXL7W7Q3XHXDQVDS&Expires=1561498333&Signature=oQkIKoV8PNjZg%2BXm7FoR8swvCvl%3D>

status, and reduces the risk of poverty and migration.²⁴ In the long term, stable property ownership and better living conditions create a sense of security among women and helps shift household and community power structures in their favor.²⁵

Better access to water, health, and sanitation facilities help prevent water and sanitation-related diseases, which are among the most significant health problems in developing countries and provides the foundations for long-term well-being. In addition, improved health and sanitation have positive spillover effects on social and economic development, through pathways such as time savings, lower healthcare costs, fewer productive days lost to illness, improved neonatal development, and improved ability of children to remain in school.²⁶

The Portfolio Manager estimates that the proceeds of the Loans will directly impact approximately 5,200 women and girls with improved water and sanitation outcomes and approximately 300 women and girls with improved mobility, safety and shelter outcomes over the four-year tenor of the Loans.

OC 2c: Climate Action: Underserved women from low income and rural communities are disproportionately impacted by climate change as women tend to have a higher reliance on natural resources; for instance, women are typically in charge of collecting water and majority of women in rural communities tend to be informally employed in agricultural supply chains. As such, certain of the Borrowers seek to reposition women as solutions to combat climate change by transitioning to clean energy sources, using responsible and green manufacturing practices or by shifting to environmentally-friendly, climate-smart agricultural practices that help female farmers better adapt to weather-related shocks and stresses such as floods and droughts. In particular, organic agriculture contributes to climate mitigation by reducing energy use (due to avoidance of synthetic fertilizers and machinery), increasing soil carbon content through sequestration, and reducing emissions of nitrogen dioxide and other greenhouse gases. Additionally, organic agriculture is more resilient to changing weather conditions and produces more stable yields under drought conditions as it requires lower water inputs.²⁷

The Portfolio Manager estimates that the proceeds of the Loans will enable approximately 800 women to transition to clean energy sources, approximately 2,600 female factory workers to use responsible, green production practices and approximately 700 female smallholder farmers to shift to climate-smart farming over the four-year tenor of the Loans.

TERTIARY OUTCOMES (“OC3”)

The primary and secondary outcomes collectively contribute to two tertiary outcomes (1) building gender equality in line with the United Nation’s Sustainable Development Goal (“SDG”) 5 on gender equality; and (2) driving forward the global gender lens investing movement, as explained below:

OC 3a. Gender Equality: The Loans empower women by creating sustainable livelihoods that improve their power and agency over resources. The Loans are expected to help lay the ground for these women to be treated with greater dignity, reduce discrimination against financially excluded women and help to put women front and center of capital markets through a listed product. Furthermore, the Loans will empower women to build back better by empowering them to advance social-economic growth, combating climate change and building COVID-19 resilience in the post-pandemic era. The issue of the Bonds is thus aligned with SDG 5 on gender equality, specifically with sub-target SDG 5.1: ‘ending discrimination against women’ and SDG 5.A: ‘giving women the right to economic resources’. The Portfolio Manager estimates that the issuance of the Bonds will empower approximately 180,000 women and girls to be recognized as solutions to global issues.

OC 3b. Driving forward the Gender Lens Investing Movement: The issue of the Bonds is expected to advance the global gender lens investing movement in three ways:

- **Additionality:** The Loans are expected to help demonstrate the viability of gender-lens investing products to private sector investors and mobilize new sources of private-sector capital to accelerate the gender-lens investment movement. Based on investor participation in prior issuances of bonds under the WLB Series, the Portfolio Manager estimates bringing in a range of investors from across the world including large institutions, funds, family offices and ultra-high-net-worth private banking clients, some of whom have never invested in a gender-lens investment debt security before. The Portfolio Manager has also trained over 50 relationship managers working with its banking partners (Standard Chartered Bank, ANZ and DBS) on how to place Social Bonds focused on women empowerment with their clients.
- **Leverage:** The Portfolio Manager will use grant funding from the Global Affairs Canada (GAC) (via the United Nations Capital Development Fund (UNCDF) and United Nations Economic and Social Commission for Asia and the Pacific

²⁴ ICRW (2005). *Property Ownership for Women Enriches, Empowers and Protects*. <https://www.icrw.org/wp-content/uploads/2016/10/Property-Ownership-for-Women-Enriches-Empowers-and-Protects-Toward-Achieving-the-Third-Millennium-Development-Goal-to-Promote-Gender-Equality-and-Empower-Women.pdf>

²⁵ FAO (2002). *Land Tenure and Rural Development*. <http://www.fao.org/3/a-y4307e.pdf>

²⁶ Mara, D., Lane, J., Scott, B., and Trouba, D. (2010). “Sanitation and health.” *PLoS Med*, 7(11). <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2981586/>

²⁷ Seufert, V. and Ramankutty, N. (2017). “Many shades of gray – the context-dependent performance of organic agriculture.” *Science Advances*, 3. <https://advances.sciencemag.org/content/advances/3/3/e1602638.full.pdf>

(UNESCAP)) and from Partnering for Green Growth and the Global Goals (P4G) to structure and monitor the Bonds. The Portfolio Manager will leverage this support to mobilize over approximately 30 times more investment capital from the private sector, further strengthening the case for effective use of donor or public sector funding to create a catalytic impact on underserved women.

- **Behavior Change:** Over the course of 4 years, the issue of the Bonds will also create behavior change in Borrowers in three ways:
 - by ring-fencing funding for women-specific projects in the case of Borrowers that were not already actively impacting underserved women (e.g. One of the Borrowers, an Indian SME Lender, will use its Loan proceeds specifically to lend to women-owned SMEs at a discounted rate);
 - by transitioning traditional enterprises to either formally integrate women in their supply chain (e.g. the sustainable agriculture company will increase the percentage of female smallholder farmers formally signing the contracts and directly receiving payment for their produce from 10% to 50% over the four year tenor of its Loan) or to ensure they receive fair wages and working conditions (e.g. The ethical apparel company will increase wages to women factory workers over the regional minimum wage set by the government); and
 - by including mandatory measurement and reporting of gender-lens outcomes: this will increase the availability of gender-lens data at the outcome level that can be used by the Borrowers to deepen their impact, by the Portfolio Manager to make better portfolio allocation decisions in the future and to provide greater transparency of impact performance to investors.

#2: Attaching Gender-Specific Metrics to Ensure Women have a Voice and a Value

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

#3. Identifying Financial Proxies to Project Impact and Link it with Capital Mobilized

As a final step, each outcome is given a monetary proxy value to calculate the social value generated by the Borrower. Monetizing social value creation can be done in two main ways:

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

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

In calculating the PV, the WLB considers the impact of enterprises across a four-year time horizon since the WLB investments expect to support enterprises across the same time horizon. To account for the time value of money across the next four years and accordingly represent future net impact in today's terms, IIX discounts impact by the respective lending rates for each enterprise. The following formula showcases the breakdown, with 'r' equating to the lending rates, and 'n' equating to 4:

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

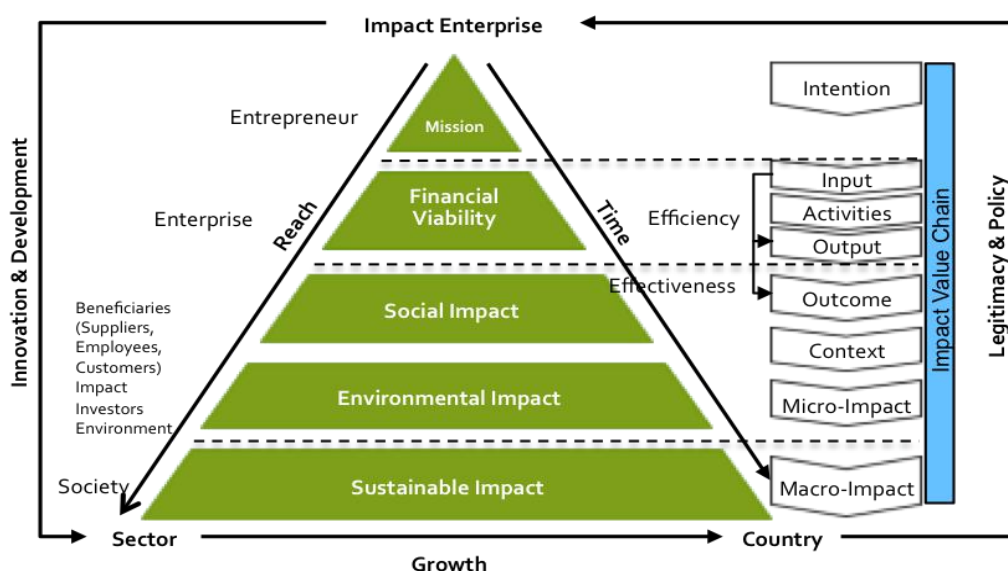
At the portfolio level, IIX calculates a weighted SROI by considering the percentage allocation of the bond investment sum across the eight underlying Borrowers. IIX expects to achieve an SROI of ~US\$4 for every US\$1 invested through the Loans and will impact over 60,000 direct women beneficiaries and over 120,000 indirect female beneficiaries.

Subsequent Social Impact Monitoring and Reporting – IIX Values™ and the IIX Sustainability Pyramid™: IIX will report on

the social performance of the Borrowers twice a year. At the mid-point of each reporting year, IIX will monitor and provide a progress report, charting out the social performance of the Borrowers, both as individual entities and in aggregate. At the end of the reporting year, IIX will produce a comprehensive evaluation of the social performance of the bond and the Borrowers which will be supported by impact verification that involve interviewing a sample size of women beneficiaries supported by each of the Borrowers using IIX Values™, a digital impact assessment tool that uses mobile technology to collect and analyze impact data direct from women impacted by the WLB3. During the COVID-19 pandemic, IIX Values will ensure women continue to have a voice in the reporting process and that the risk of impact-washing is actively mitigated by providing investors with verified impact reports based actual results experienced by end beneficiaries.

IIX Values™ assesses various dimensions of the Borrower’s impact by utilizes IIX’s proprietary impact assessment framework, the IIX Sustainability Pyramid™ (Figure 6) which takes into consideration the organization’s mission, financial viability, and positive social and environmental impact to assess its contribution toward the United Nation’s SDGs. The objective of the framework is to help enterprises understand their impact value chain and identify ways to deepen their impact by analyzing its relevance to the impact on beneficiaries over time. Additionally, the framework is designed to equip investors with a tool for making educated investment decisions that can lead to optimized impact generation.

Figure 6: IIX Sustainability Pyramid™



The bottom-up approach of the IIX Sustainability Pyramid™ begins by considering the goal and objectives of the organizations. The mission statement offers a point of reference to examine the strategy that the organization uses to accomplish its goal and objectives. Next, the framework investigates the intricacies of the organization’s business model and how its activities align with the mission of creating social and environmental outcomes. This review involves understanding the products and services provided by the organization as well as an overview of the type of target beneficiaries it serves (e.g. women). The next step involves linking outputs (e.g. number of women served) to outcomes (e.g. value of increased income achieved over the life of the investment). All these outcomes are considered in the broader context of the enterprise’s country and sector to assess key factors such as national or industry growth rate, policy, innovation or technological developments to give a holistic understanding of the ability to create sustainable impact.

3.2 Building COVID-resilience and Mapping to the United Nation’s Sustainable Development Goals

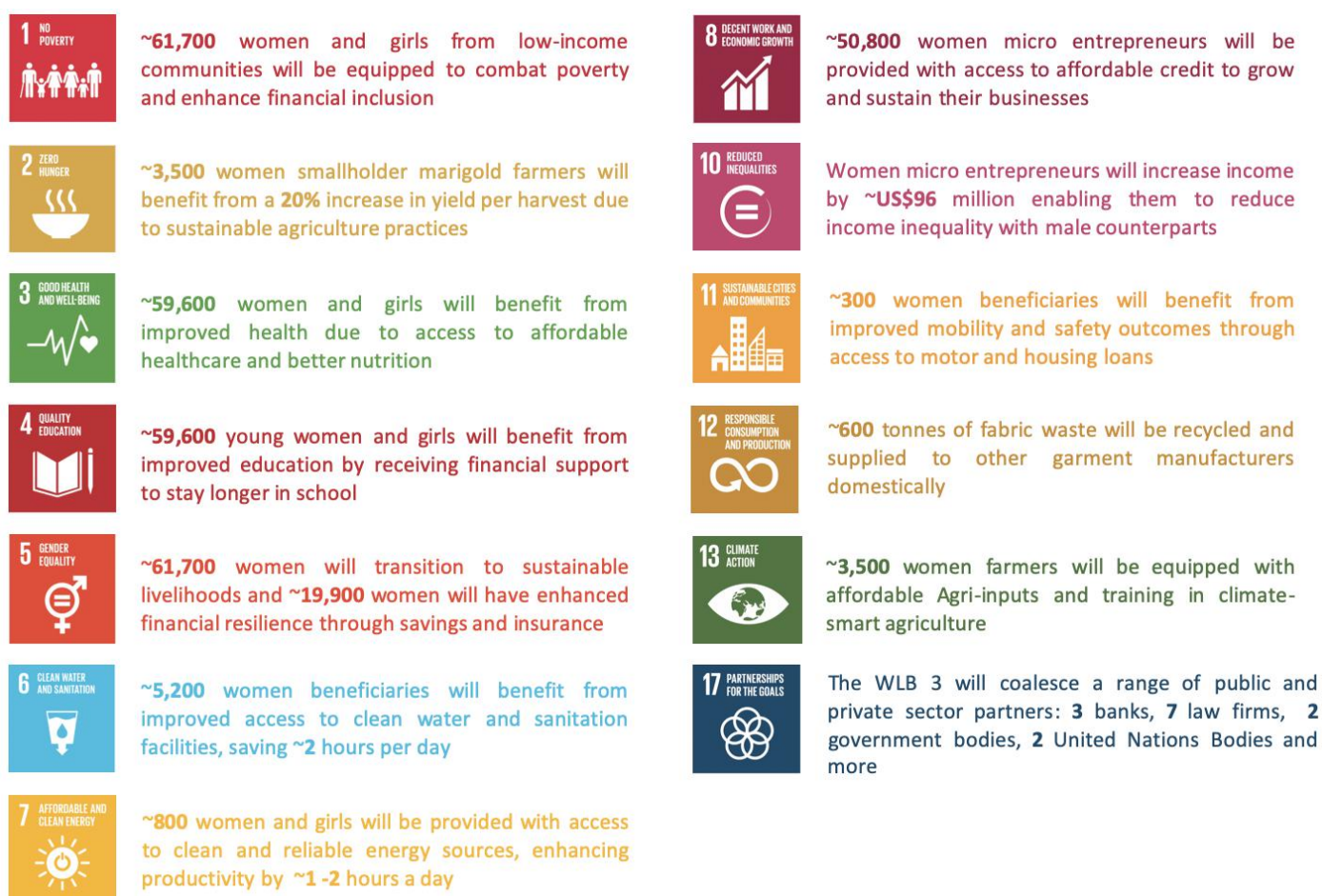
The COVID-19 pandemic is the defining global health crisis of our time and is expected to have far reaching social and economic consequences, especially for emerging countries with frail safety nets and inadequate resources to fight the crisis. The pandemic has brought fundamental **gender inequalities** prevalent in emerging economies to the forefront, which adversely impact patients, frontline health workers and vulnerable communities on the ground. While the virus itself does not

discriminate, disease outbreaks and pandemics have made existing **inequalities for women and girls disproportionately worse** in the past.

However, it is equally important to recognize the **role of women from underserved communities to act as solutions to the pandemic** by empowering them to build-back better through sustainable livelihoods. With evidence showcasing that all stakeholders benefit when women are given equal participation in all spheres of life, **women are well positioned to act as solutions to achieving resilient sustainable development in a post-coronavirus economy**. Apart from the role of women in healthcare, the COVID-19 pandemic has also brought the role of women in climate action, sustainable agriculture and SMEs-ownership into the spotlight – all sectors that will be critical for recovery in emerging markets. According to McKinsey’s forecasts, women’s equal participation in the labor force will add US\$28 trillion in GDP globally over 10 years, which is more than enough to bridge the climate finance gap, which is estimated to be US\$894 billion by 2030.

To that end, the WLB 3 will systematically advance not only SDG 5: Gender Equality, but also 12 other SDGs in line with the importance of using gender equality as a means to advance multiple dimensions of the global sustainable development agenda (Figure 7).

Figure 7: WLB 3 advanced 13 UN SDGs



Conclusion

IIX Global Charitable Limited is of the opinion that the Women's Livelihood Bond 3 (WLB 3) is consistent with current Social Bond Principles (SBP), as promulgated by the International Capital Markets Association (ICMA) and with the ASEAN Social Bond Standards. According to IIX Global Charitable Limited's analysis, the WLB 3 aligns with the four core tenets of the ICMA SBPs and ASEAN Social Bond Standards: (i) use of proceeds; (ii) process for project evaluation and selection; (iii) management of proceeds; and (iv) reporting, as summarized below:

- Use of Proceeds:** The WLB 3 is expected to mobilize ~US\$30 million which will be used to impact the lives of 60,000+ direct women beneficiaries and 120,000+ indirect female beneficiaries. The WLB 3 is designed to generate employment and support socio-economic advancement of underserved women from rural, low-income, disadvantaged or financially excluded communities. The WLB 3 proceeds will be used to make loans to eight underlying Borrowers in Cambodia, India, Indonesia and the Philippines. These underlying Borrowers collectively drive forward the United Nation's Sustainable Development Goal (SDG) 5: Gender Equality and 12 other goals. For every \$1 invested through the WLB 3, \$4 of social value will be created for underserved women
- Process for Project Evaluation and Selection:** As part of the WLB 3 Borrower evaluation and selection process, the Portfolio Manager conducts a rigorous social and financial due diligence on potential underlying Borrowers. As a part of this process, the Portfolio Manager uses a set of social and financial screening criteria to select underlying Borrowers that are able to absorb, deploy and repay debt capital and use the loan proceeds to empower underserved women. Shortlisted Borrowers go through the Portfolio Manager's in-depth impact assessment which includes an evaluation of outputs (number of women impacted) and outcomes (positive change to women's lives) using a forward-looking approach that is linked with the capital mobilized from the Bond. All impact assessments include a verification interviews the end beneficiaries using IIX Values™ – a digital impact assessment tool, thereby ensuring underserved women have a voice and are given adequate value during the portfolio construction process. The Portfolio Manager clearly communicates the social objectives of the Bond, the screening criteria used and portfolio selection process to investors through the Bond's Information Memorandum and other supporting investor presentations to ensure transparency.
- Management of Proceeds:** The proceeds of the WLB 3 will be tracked by the Portfolio Manager in an appropriate manner. The issuer (WLB Asset II B Pte. Ltd.) is a Special Purpose Vehicle (SPV) established specifically to issue the bonds and make the loans to the underlying Borrowers. As such, all of the proceeds will be used for the purposes of the bonds. The proceeds of the issuance of the Bonds will be used to extend loans to the eight underlying Borrowers. It is expected that these loans will be extended immediately after the closing of the issuance of the Bonds. In the event that any of the bond proceeds are not disbursed within 90 days of the closing of the issue of the Bonds, any undisbursed proceeds held by the Issuer will be distributed as a prepayment of principal to the Bondholders. CSC GFM Asia Services (Singapore) Pte Ltd ("CSC GFM"), the Corporate Services Provider, will report to the bond trustee, BNY Mellon, on the use of proceeds and specifically on the disbursement of the loans.
- Reporting:** After the WLB 3 is placed with investors and the loans have been disbursed to the Borrowers, the Portfolio Manager will monitor the impact performance of the Borrowers on a semi-annual basis and provide semi-annual impact reports over the life of the bond. These semi-annual impact reports will consist of a combination of qualitative (stories, SDG analysis) and quantitative information (SROI, no. of women impacted) to provide investors with a holistic understanding of the impact achieved. Key activities for the monitoring, evaluation and reporting of the WLB 3 impact performance over the bond's 4-year lifetime include: (i) semi-annual impact reporting based on self-reported data

from underlying Borrowers; (ii) annual impact reporting based on verified data and field visits to interview end beneficiaries; and (iii) ad-hoc announcements on the Singapore Exchange in the case of any material changes to the underlying portfolio.

IIX Global Charitable Limited will issue an annual Second Party Opinion that will verify the alignment of the WLB 3 with the ICMA's SBP across the four-year life of the Bond.



Annex A – Negative Screening Criteria based on DFC Exclusion List (previously known as USAID)

Criteria for a Qualifying Loan	
a)	<p>The Qualifying Loan must not be used to finance any of the following:</p> <ol style="list-style-type: none"> (1) Goods or services which are to be used primarily to meet military requirements or to support police or other law enforcement activities, (2) Surveillance equipment, (3) Gambling equipment, supplies for gambling facilities or any hotels, casinos or accommodations in which gambling facilities are or are planned to be located, (4) Activities which significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas, (5) Military assistance, explosives or fireworks, (6) Activities which relate to trafficking in persons, forced labor, the practice of prostitution or sex trafficking, (7) Activities directly or indirectly involving in any way or manner Ammonium Nitrate (AN) or Calcium Ammonium Nitrate (CAN). (8) Activities or individuals connected to terrorist acts.
b)	<p>The Qualifying Loan must not be used to finance any of the following without the prior written approval of USAID. Moreover, approval of Qualifying Loans to finance activities described in subsections (2), (3), (7) or (8) below will be contingent upon the submission by the applicable Guaranteed Party of evidence sufficient to demonstrate compliance with local environmental laws and to enable USAID to make an assessment of the environmental impact of such activities:</p> <ol style="list-style-type: none"> (1) Pharmaceuticals, (2) Pesticides, (3) Logging equipment, (4) Luxury goods (including alcoholic beverages and jewelry), (5) Establishing or expanding any enterprise that will export raw materials that are likely to be in surplus in world markets at the time such production becomes effective and that are likely to cause substantial injury to U.S. producers, (6) Tobacco or agribusiness activities contributing to tobacco production, promotion or use, (7) Activities which would result in the loss of forest lands due to livestock rearing, road construction or maintenance, colonization of forest lands or construction of dams or other water control structures, (8) Activities which are likely to have a significant adverse effect on the environment, including any of the following (to the extent such activities are likely to have a significant adverse impact on the environment): <ol style="list-style-type: none"> (a) programs of river basin development, (b) irrigation or water management projects (including dams and impoundments), (c) agricultural land leveling, (d) drainage projects, (e) large scale agricultural mechanization, (f) new lands development, (g) resettlement projects, (h) penetration road building or road improvement projects, (i) power plants, (j) industrial plants, or (k) potable water and sewerage projects other than those that are small-scale. (9) Activities which the applicable Guaranteed Party is aware are reasonably likely to contribute to the violation of internationally recognized rights of workers. (10) Activities directly associated with relocating jobs from the United States to another country.
c)	<p>The Qualifying Loan must not be used to finance equipment, research and/or services related to involuntary sterilization or the performance of abortion as a method of family planning.</p>

d)	<p>The Qualifying Loan must not be used to provide family planning services unless the Qualifying Borrower (i) provides those services on a voluntary and informed choice basis and (ii) provides information, access, or referral to a range of family planning methods. To help ensure this, each Guaranteed Party will include the following statement in the loan agreement: “The Borrower agrees that family planning services provided by the enterprise or organization financed by this loan are provided on a voluntary and informed choice basis, and provide information, access, or referral to a range of family planning methods.”</p>
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US\$24,700,000

3.95% Women's Livelihood Bonds due 2024

Portfolio Manager



Placement Agents

