

Africa's first listed sustainability-linked Sukuk

Investment characteristics

Investment portfolio:

Diversified portfolio of assets across the agriculture sector value chain

Stock exchange:

JSE Debt Market

JSE Alpha Code:

AGRIA1 (inaugural issuance)

AGRIB1 (second issuance)

Type of instrument:

Floating rate, sustainability-linked Asset-backed Sukuk (Debt Instrument)

Issuances:

AGRIA1: R600 million

AGRIB1: R300 million

Maturity date:

AGRIA1: 30 September 2025

AGRIB1: 31 March 2027

Status:

Senior Secured

Face value of instrument:

R1

Profit distribution basis:

Semi-annually (first distribution for AGRIB1 will be after 9 months)

Annual profit participation rate:

AGRIA1: 3m JIBAR + 4.75% (first coupon payment realised 11.5% on an 11 month basis from issuance)

AGRIB1: 9m JIBAR for first distribution, thereafter 6m JIBAR + 4.25%

The agriculture value chain

Value increases through each step of the value chain, in proportion to a relative decrease in risk.

- Raw materials
- Input providers
- Farms
- Local market/ exported
- Agri-processing
- Wholesaler
- Retailer
- Consumer

Company description

Agrarius is an agriculture focused investment company offering Shari'ah compliant investment opportunities to investors through its R10 billion JSE listed asset-backed note programme ("Note Programme"), the proceeds of which are invested in sustainable and green projects in the agriculture sector value chain. Agrarius is driven and administered by 27four, a women-owned and led impact fund manager.

Agrarius' objectives and principles

- Investing in the real economy
- Integrating sustainability criteria
- Economic development through job creation
- Addressing global macro trends such as the growth in emerging market populations and the growing food crisis
- Supporting the just transition
- Promoting the transformation to sustainable agricultural practices
- Development of rural economies
- Encouraging entrepreneurship
- Contributing to achieving the SDGs

ESG is part of the core DNA

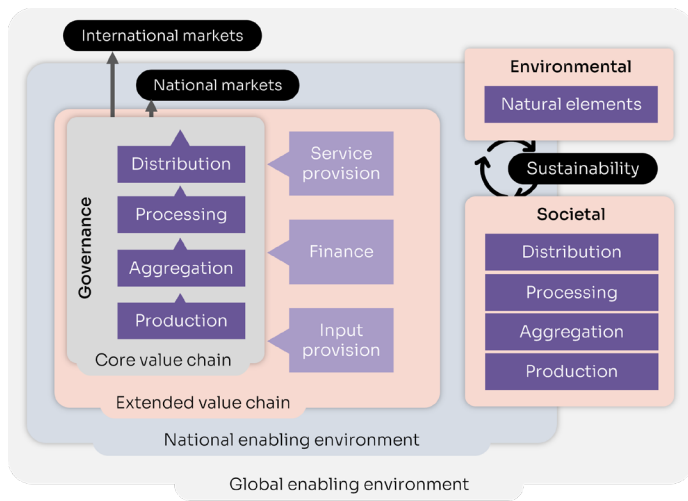
- Built from the ground up on ESG principles
- Investment frameworks that primarily focuses on ESG investing
- Independent verification of our impact outcomes
- Clearly defined penalty rates for the investment team if impact objectives are not achieved

Target portfolio construction

Having systematically captured these investment opportunities, we repackage it into investable risk premia. Applying maximum beneficial diversification, we use these new sources of risk premia to have as many uncorrelated positions as possible in our portfolios. This enables us to build portfolios with reduced risk and a maturity profile that matches the cash obligation to noteholders.

Our track record meets our commercial and impact objectives





Source: UN FAO: The Sustainable Food Value Chain Framework

Why Agrarius?

Underserved market

Limited working capital-type solutions to fit the needs of the agriculture sector.

Customisation and innovation

The Agrarius solution can be customised to meet the biologically-driven cash flow profile of agriculture operations.

Limited competition

There are very few experienced players in the agriculture space. As a consequence, sources of funding for similar solutions are limited.

Collaboration

Our funding model is symbiotic to bank and other funding in the sector. Agrarius is not looking to disintermediate traditional bank finance, but rather to complement it and contribute to optimising capitalisation of the sector.

Unique risk premia

Agrarius has a mandate of investing across the agriculture value chain and repackage the risk premia into different investable formats to build a diversified portfolio which sufficiently meets the liquidity profile and return requirements of the capital structure.

For investors seeking...

Shari'ah compliant alternatives

Investors that have limited alternative investment opportunities that meet regulatory and listing requirements.

Diversification

As a listed debt instrument, the investment offers liquidity through the investment holding period and through a secondary market.

Impact investing

Genuine impact investing into the systemically important agricultural sector, including in rural areas. All investments undergo independent assessment of impact against a set criteria throughout the investment life cycle.

Capital preservation

Low risk portfolio of diversified, asset backed debt investments.

Exposure across the agriculture value chain

Investing across the entire agriculture value chain, which includes agriculture infrastructure.

Inflation beating returns

Capital growth from real rate return, likely to outperform inflation significantly.

A medium term investment horizon

36 to 60 month investment horizon.

Regulated agriculture investing

Highly regulated and secure trading environment.

A new asset class

Helping to make Islamic investing accessible to all investors.

Price discovery

Market-driven and transparently-priced instruments.



27four.com/agrarius | agrarius@27four.com

@27four on X | Instagram | Facebook | LinkedIn | YouTube

Disclaimer: This document is strictly for information purposes only and should not be considered as an offer, or solicitation, to deal in any of the investments mentioned herein. Any information and opinions contained in this communication, and any supplemental information provided, is believed to be reliable but no representation or warranty is given as to its correctness, accuracy or completeness. Any representation or opinion is provided for information purposes only. We do not undertake to update, modify or amend the information on a frequent basis or to advise any person if such information subsequently becomes inaccurate. It is not intended to create, and shall not be capable of creating, any obligation or liability on the part of 27four Investment Managers or any of its affiliates, and shall not form part of any contract. All information and opinions provided are of a general nature and are not intended to address the circumstances of any particular individual or entity. We are not acting and do not purport to act in any way as an advisor or in a fiduciary capacity. Any decision to invest must be made by the recipient solely on the basis of its own independent judgement and research and subject to the terms and conditions governing applications to any relevant fund. No one should act upon such information or opinion without appropriate professional advice after a thorough examination of a particular situation. While opinions stated are honestly held, they are not guarantees and should not be relied on. Please note that past performance figures are not audited and should not be taken as a guide to the future. 27four Investment Managers will not be held liable or responsible for any direct or consequential loss or damage suffered by any party as a result of that party acting on or failing to act on the basis of the information provided in this document. This document may not be amended, reproduced, distributed or published without the prior written consent of 27four Investment Managers. 27four Investment Managers is an authorised financial services provider with license number 31045.