**LOAN AGREEMENT**

THIS AGREEMENT IS MADE AND ENTERED INTO

on this 11th day of August 2025

By and Between

MERCANTILE TRUST

Lilongwe

(the “Lender”)

And

KWACHA ACCESS FINANCE LIMITED

a company incorporated and existing under the laws of Malawi with its registered office at St Martins House (the “Borrower”).

The Lender and the Borrower are hereinafter collectively referred to as the “Parties”.

WHEREAS:

A. The Borrower desires to obtain from the Lender a loan in the principal amount of **MK300,000,000 [THREE HUNDRED MILLION MALAWI KWACHA]** (the “Loan”);

B. The Lender is willing to grant a loan to the Borrower;

C. The Parties hereby wish to set forth the terms and conditions that have agreed between them in that respect;

NOW, THEREFORE, the Parties have agreed as follows:

Article 1 – Loan

1. Subject to the provisions of this Agreement, the Lender shall pay to the order of the Borrower the sum of MK300,000,000 (the “Principal Amount”) in instalments.
2. The Borrower shall use the proceeds of the Loan only for the purpose of its ordinary business.
3. The Loan has a tenure of two years starting the date of the first instalment disbursement.
4. The Loan is a consideration for 30% shareholding in Kwacha Access Finance Limited in accordance with the Shareholders Agreement and the MEMARTS of the Company.

Article 2 – Interest

1. Interest shall accrue on the outstanding Principal Amount at the rate of thirty-seven percent (37%) per annum.
2. The interest will be paid as follows:

First interest payment will be made after 6 months from the first disbursement date and there after every 3 months. Interest date will be the last day of the month.

1. All payments by the Borrower to the Lender hereunder shall be made into bank accounts to be specified by the Lender.
2. All payments hereunder shall be made in Malawi Kwacha.

Article 3 – Security

The Loan shall be unsecured but is made with full recourse against the Borrower and his successors.

Article 4 – Expenses

All reasonable and properly documented legal and out-of-pocket expenses actually incurred by the Lender in connection with the preparation, negotiation, and execution of this Loan Agreement, and any enforcement of its terms, shall be for the account of the Borrower, provided that such expenses are notified to the Borrower and agreed in advance,

Article 5 – Termination

The Lender may cancel the Loan forthwith and without any prior written notice in case of any of the following events, which constitute default by the Borrower:

1. failure by the Borrower to pay to the Lender any interest due if such a payment date has been renegotiated failure to pay by more than 30 days;
2. failure by the Borrower to comply with any other term or condition of this Agreement, and if such failure is capable of being remedied, the failure remains not remedied for more than thirty days after the Lender gives notice thereof to the Borrower;
3. the appointment of a receiver or insolvency practitioner over the assets or undertakings of the Borrower, which results in a suspension of payments, or an attachment being made on a material part of the Borrower’s assets or undertakings, or any bankruptcy, insolvency or similar legal action instituted by or against the Borrower;

Article 6 – Repayment

Upon maturity, the Borrower shall pay to the Lender the sum of MK300,000,000 or whenever the full Principal Sum is paid if earlier together with unpaid interest accrued.

Article 7 – Assignments

The rights and obligations of either party under this Agreement are not assignable to a third person, without the prior written consent of the other party.

Article 8 – Covenants

1. The Borrower undertakes that, during the term of this Agreement,
2. all its obligations hereunder will rank at least pari passu with all of its other present and future unsecured obligations, except for obligations which are preferred by law, and
3. it will not create or permit to subsist or have outstanding any charge, pledge or lien whatsoever on or over the whole or any part of its assets in favour of any other lender, without obtaining the prior consent in writing of the Lender.
4. The Borrower shall at all times
5. keep all licences, permits, and franchises necessary for the operation of its business in order
6. keep all of its assets which are useful in and necessary to its business in good working order and condition (ordinary wear and tear excepted) and make all necessary repairs thereto and replacements thereof.

Article 9 – Inspection of Accounts

The Lender, at its own expense, has the right to have the Borrower’s books, accounts, invoices, receipts and other administrative data inspected by such (objective) persons as the Lender shall determine (preferably auditors), who shall be approved by the Borrower (and such approval cannot be unreasonably withheld), so as to verify compliance by the Borrower with the terms and conditions of this Agreement.

Article 10 – Miscellaneous Provisions

1. This Agreement contains the entire agreement and understanding between the Parties with respect to the subject matter hereof and supersedes and replaces all prior agreements or understandings, whether written or oral, with respect to the same subject matter that are still in force between the Parties.
2. Any amendments to this Agreement, as well as any additions or deletions, shall be agreed in writing by both the Parties.
3. Whenever possible, the provisions of this Agreement shall be interpreted in such a manner as to be valid and enforceable under the applicable law. However, if one or more provisions of this Agreement are found to be invalid, illegal or unenforceable, in whole or in part, the remainder of that provision and of this Agreement shall remain in full force and effect as if such invalid, illegal or unenforceable provision had never been contained herein. Moreover, in such an event, the Parties shall amend the invalid, illegal or unenforceable provision(s) or any part thereof and/or agree on a new provision, in such a way as to reflect insofar as possible the purpose of the invalid, illegal or unenforceable provision(s). Neither party shall be liable for failure to perform under this Agreement (except for the payment of any amounts due herein) if such failure is due to causes beyond its reasonable control, such as, but not limited to, fire, flood, strikes, labour disputes or other industrial disturbances, (declared or undeclared) war, embargoes, blockades, legal restrictions, riots, insurrections, governmental regulations or the unavailability of means of transport.
4. Any failure or delay by a party in exercising any right under this Agreement, any single or partial exercise of any right under this Agreement or any partial reaction or absence of reaction by a party in the event of a violation by the other party of one or more provisions of this Agreement, shall not operate or be interpreted as a waiver (either express or implied, in whole or in part) of that party’s rights under this Agreement or under the said provision(s), nor shall it preclude any further exercise of any such rights. Any waiver of a right must be express and in writing. If there has been an express written waiver of a right following a specific failure by a party, this waiver cannot be invoked by the other party in favour of a new failure, similar to the prior one, or in favour of any other kind of failure.
5. All notices and other forms of communication required under this Agreement must be in writing and delivered or sent to the receiving party (i) by hand through a reputable courier service, (ii) by email with a confirmation report, or (iii) by registered mail (return receipt requested) to the address indicated by either party.
6. Either party may change the address to which notices are to be delivered or sent by giving the other party written notice to this effect in the manner set forth herein.
7. This Agreement is executed in separate copies, each of which is deemed an original and all of which taken together constitute one and the same agreement. Translations into any language other than English may be made but are for the sake of convenience only, even when executed by one or both Parties.

Article 11 – Applicable Law and Jurisdiction

All issues, questions and disputes concerning the validity, interpretation, enforcement, performance and termination of this Agreement shall be governed by and construed in accordance with the Laws of Malawi.

All disputes concerning the validity, interpretation, enforcement, performance and termination of this Agreement shall be referred to binding arbitration in Blantyre under the Arbitration Act of Malawi. The arbitral tribunal shall consist of a sole arbitrator appointed by agreement or by the Malawi Law Society.

SIGNED by

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On behalf of MERCANTILE TRUST

(Lender)

Date :

Witness :

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ALFRED KAZEMBE

Chief Financial Officer on behalf of

KWACHA ACCESS FINANCE LIMITED

(Borrower)

Date :

Witness :