DISCOVERY LIMITED

(incorporated in South Africa with limited liability under registration no.: 1999/007789/06)

Issue of ZAR1,000,000,000.00 Floating Rate Notes due 21 November 2027 under its ZAR12,500,000,000 Domestic Medium Term Note Programme *as increased from ZAR10,000,000,000 to ZAR 12,500,000,000 with effect from 12 November 2024*

unconditionally and irrevocably guaranteed, jointly and severally by

DISCOVERY HEALTH PROPRIETARY LIMITED

(incorporated in South Africa with limited liability under registration no.: 1997/013480/07)

and

DISCOVERY VITALITY PROPRIETARY LIMITED

(incorporated in South Africa with limited liability under registration no.: 1999/007736/07)

DSYC06

This document constitutes the Applicable Pricing Supplement relating to the issue of the Senior Notes described herein. Unless otherwise indicated, capitalised terms used but not defined in this Applicable Pricing Supplement have the meanings given to them in the Discovery Limited ZAR10,000,000,000 Domestic Medium Term Note Programme Memorandum dated 24 May 2022 (the "**Programme Memorandum**") together with the notice of increase in the overall programme size to ZAR12,500,000,000 with effect from 12 November 2024 . This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

PARTIES

1.	Issuer	Discovery Limited
2.	Specified Office of the Issuer	1 Discovery Place Sandton, 2196 SOUTH AFRICA
3.	Guarantor	Discovery Health Proprietary Limited

4.	Specified Office of the Guarantor	1 Discovery Place Sandton, 2196 SOUTH AFRICA
5.	Guarantor	Discovery Vitality Proprietary Limited
6.	Specified Office of the Guarantor	1 Discovery Place Sandton, 2196 SOUTH AFRICA
7.	Arranger	Rand Merchant Bank, a division of FirstRand Bank Limited
8.	If non-syndicated, Dealer(s)	Rand Merchant Bank, a division of FirstRand Bank Limited Absa Bank Limited, acting through its Corporate and Investment Banking division
9.	If syndicated, managers	N/A
10.	Debt Sponsor	Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division)
11.	Specified Office of the Debt Sponsor	135 Rivonia Road, Sandton 2196, South Africa
12.	Issuer Agent	Rand Merchant Bank, a division of FirstRand Bank Limited
13.	Specified Office of the Issuer Agent	1 Merchant Place Corner Fredman Drive and Rivonia Road Sandton, 2196 SOUTH AFRICA
14.	Transfer Agent	Rand Merchant Bank, a division of FirstRand Bank Limited
15.	Specified Office of the Transfer Agent	1 Merchant Place Corner Fredman Drive and Rivonia Road Sandton, 2196 SOUTH AFRICA

16.	Settlement Agent	Rand Merchant Bank, a division of FirstRand Bank Limited
17.	Specified Office of the Settlement Agent	1 Merchant Place Corner Fredman Drive and Rivonia Road Sandton, 2196 SOUTH AFRICA
18.	Paying Agent	Rand Merchant Bank, a division of FirstRand Bank Limited
19.	Specified Office of the Paying Agent	1 Merchant Place Corner Fredman Drive and Rivonia Road Sandton, 2196 SOUTH AFRICA
20.	Calculation Agent	Rand Merchant Bank, a division of FirstRand Bank Limited
21.	Specified Office of the Calculation Agent	1 Merchant Place Corner Fredman Drive and Rivonia Road Sandton, 2196 SOUTH AFRICA
22.	Stabilising manager (if any)	N/A
23.	Specified Office of the stabilising manager	N/A

PROVISIONS RELATING TO THE NOTES

24.	Status of Notes	Senior Note (see Senior Note Condition 2) Senior unsecured
25.	Form of Notes	Listed registered Notes The Notes in this Tranche are issued in uncertificated form and held by the CSD
26.	Series number	61
27.	Tranche number	1

28.	Guaranteed	The Guarantee is applicable to this Tranche of Notes
29.	Aggregate Nominal Amount of Series	ZAR1,000,000,000.00
30.	Aggregate Nominal Amount of Tranche	ZAR1,000,000,000.00
31.	Interest	Interest-bearing
32.	Interest payment basis	Floating Rate Notes
33.	Automatic/optional conversion from one interest/redemption/payment basis to another	N/A
34.	Issue Date	18 November 2026
35.	Business Centre	Johannesburg
36.	Additional Business Centre	N/A
37.	Nominal Amount	ZAR1,000,000 per Note
38.	Specified Denomination	ZAR1,000,000 per Note
39.	Issue Price	100% per Note
40.	Interest Commencement Date	18 November 2026
41.	Maturity Date	21 November 2027
42.	Specified Currency	ZAR
43.	Applicable Business Day Convention	Modified Following Business Day Convention
44.	Final Redemption Amount	100% of the aggregate Outstanding Nominal Amount
45.	Books Closed Period(s)	N/A
46.	Last Day to Register	By 17h00 on 20 February 2027, 20 May 2027, 20 August 2027 and 20 November 2027, if any such day is not a Business Day, the last Business Day immediately preceding the last day to register

47.	Default Rate		Interest Rate (Reference Rate plus Margin) plus 2%
FIXED RATE NOTES			N/A
FLOATING RATE NOTES			
48.	(i)	Interest Rate(s)	Reference Rate plus Margin
	(ii)	Interest Payment Date(s)	21 February 2027, 21 May 2027, 21 August 2027 and 21 November 2027, if any such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the applicable Business Day Convention
	(iii)	Interest Period(s)	Each period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date, provided that the first Interest Period will commence on (and include) the Interest Commencement Date and end on (but exclude) the first Interest Payment Date being the 21 February 2027 (each Interest Payment Date as adjusted in accordance with the applicable Business Day Convention)
	(iv)	Definition of Business Day (if different from that set out in Condition 1)	N/A
	(v)	Minimum Rate of Interest	N/A
	(vi)	Maximum Rate of Interest	N/A
	(vii)	Day Count Fraction	Actual/365
	(viii)	Other terms relating to the method of calculating interest, if different from Condition 5.2 (e.g.: rounding up provision)	Condition 5.2.4 (Screen Rate Determination including fallback provisions) shall not apply to the Notes notwithstanding that Screen Rate Determination is specified as the manner in which the Interest Rate is to be determined, and the Interest Rate shall be determined in accordance with paragraph 1 of Schedule 1

		(Additional Terms and Conditions: Screen Rate Determination for Floating Rate Notes Referencing Compounded Daily ZARONIA (Lookback Without Observation Shift)).
49.	Manner in which the Rate of Interest is to be determined	Screen Rate Determination in accordance with paragraph 1 of Schedule 1 (Additional Terms and Conditions: Screen Rate Determination for Floating Rate Notes Referencing Compounded Daily ZARONIA (Lookback Without Observation Shift)).
50.	Margin	60 basis points to be added to the relevant Reference Rate
51.	If ISDA Determination:	N/A
52.	If Screen Rate Determination:	
	(i) Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated)	Compounded Daily ZARONIA (as defined in, and determined in accordance with the provisions of paragraph 1 of Schedule 1 (Additional Terms and Conditions: Screen Rate Determination for Floating Rate Notes Referencing Compounded Daily ZARONIA (Lookback Without Observation Shift)))
	(ii) Interest Rate Determination Date(s)	The 5th (fifth) Johannesburg Business Day (as defined in paragraph 1 of Schedule 1 (Additional Terms and Conditions: Screen Rate Determination for Floating Rate Notes Referencing ZARONIA)) prior to each Interest Payment Date
	(iii) Relevant Screen Page and reference code	N/A
	(iv) Observation Method	Lookback without Observation Shift
	(v) Observation Lookback Period	5 (five) Business Days
53.	If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Rate Determination, insert basis for determining Rate of Interest/Margin/fall-back provisions	N/A

ZERO COUPON NOTES	N/A
PARTLY PAID NOTES	N/A
INSTALMENT NOTES	N/A
MIXED RATE NOTES	N/A
INDEXED NOTES	N/A
DUAL CURRENCY NOTES	N/A
EXCHANGEABLE NOTES	N/A
EXTENDIBLE NOTES	N/A
EQUITY-LINKED NOTES	N/A
OTHER NOTES	N/A
PROVISIONS REGARDING REDEMPTION/MATURITY	
54. Redemption at the option of the Issuer	No
55. Redemption at the option of the Senior Noteholders	No
56. Redemption at the option of the Senior Noteholders upon the occurrence of an events in terms of Senior Note Conditions 5.5, 5.6, 5.7, 5.8 or 5.9:	
(i) Early Redemption in the event of a loss of the assigned Rating of the Issuer	Yes

	(ii) Early Redemption in the event of a loss of the assigned Rating of the Senior Notes	No
	(iii) Early Redemption in the event that the Notes are no longer listed on a Financial Exchange	Yes
	(iv) Early Redemption in the event that the Issuer is no longer listed on a Financial Exchange	Yes
	(v) Early Redemption at the option of the Senior Noteholders in the event of a termination, cancellation or invalidity of the Guarantee	Yes
57.	Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default (if required)	Yes
58.	If an amount other than the Early Redemption Amount is payable on redemption for taxation reasons or on Event of Default [only complete if "no" elected in item 57]:	
	(i) Amount payable; or	N/A
	(ii) Method of calculation of amount payable	N/A

GENERAL

59.	Notes in issue	The aggregate Outstanding Nominal Amount of all Notes in issue under the Programme as at the Issue Date is ZAR8,448,000,000.00 which does not exceed the Programme Amount.
60.	Financial Exchange	JSE Limited
61.	Relevant sub-market of the Financial Exchange	Interest Rate Market of the JSE
62.	Additional selling restrictions	N/A

63.	ISIN	ZAG000230400
64.	Bond code	DSYC06
65.	Provisions relating to stabilisation	N/A
66.	Method of distribution	Dutch auction
67.	Governing law (if the laws of South Africa are not applicable)	N/A
68.	Use of proceeds	General corporate purposes
69.	Pricing methodology	Standard JSE pricing methodology
70.	Other provisions	Rights of cancellation The Notes will be delivered to investors on the Issue Date through the settlement system of the CSD, provided that if prior to the settlement process being finalised on the Issue Date an event occurs which the Dealer(s) (in its/their sole discretion) consider (i) to be a *force majeure* event or (ii) may prejudice the issue, the Issuer, the Notes or the Dealer(s) (each a "**Withdrawal Event**"), the Issuer may terminate this transaction. If the Issuer decides to terminate this transaction due to the occurrence of a Withdrawal Event, the transaction shall terminate and no party shall have any claim against any other party as a result of such termination. In such event, the Notes, if listed, will be immediately delisted. Other Considerations For the purposes of the Tranche of Notes to which this Applicable Pricing Supplement applies, see Schedule 1 headed "*Additional Terms and Conditions*" relating to the Notes

		and Schedule 2 "*Additional Risk Factors Relating to ZARONIA*".
71.	Additional Risk Factors	The Risk Factors set out in Schedule 2 headed "*Additional Risk Factors Relating to ZARONIA*" of this Applicable Pricing Supplement apply to the Tranche of Notes to which this Applicable Pricing Supplement applies. Prospective investors are to ensure that they have read Schedule 2 headed "*Additional Risk Factors Relating to ZARONIA*" as well as the detailed information set out in the Programme Memorandum, read with the Information Statement, to reach their own views prior to making any investment decision.
72.	Rating of Issuer and issue date of Rating	Issuer has been assigned a national scale (long-term) Rating of Aa3.za by Moody's as at January 2026
73.	Rating of Guarantors	N/A
74.	Rating Agency	Moody's Investors Services
75.	Material change statement	The Issuer confirms that as at the date of this Applicable Pricing Supplement, there has been no material change in the financial or trading position of the Issuer and its Subsidiaries since the end of the last financial period for which audited financial statements have been published. This statement has not been confirmed or verified by the Auditors of the Issuer.

DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS

76. Paragraph 3(5)(a)

The ultimate borrower is the Issuer.

77. Paragraph 3(5)(b)

The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.

78. Paragraph 3(5)(c)

The joint auditors of the Issuer are KPMG Inc and Deloitte and Touche.

79. Paragraph 3(5)(d)

As at the date of this issue:

(i) the Issuer has already issued ZAR8,448,000,000.00 commercial paper; and

(ii) the Issuer estimates that it may still issue ZAR2,000,000,000 of commercial paper (excluding commercial paper relating to this issuance) during the financial year, ending 30 June 2027.

80. Paragraph 3(5)(e)

All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum (including by reference) and the Applicable Pricing Supplement.

81. Paragraph 3(5)(f)

There has been no material adverse change in the financial or trading position of the Issuer since the date of its last audited financial statements up to the date of this Applicable Pricing Supplement.

82. Paragraph 3(5)(g)

The Notes issued will be listed.

83. Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.

84. Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Notes are unsecured but guaranteed in terms of the guarantees provided by Discovery Health (Pty) Ltd and Discovery Vitality (Pty) Ltd.

85. Paragraph 3(5)(j)

Deloitte & Touche and KPMG Inc., the joint statutory auditors of the Issuer, have confirmed that nothing has come to their attention to indicate that this issue of Notes issued under the Programme has not complied in all material respects with the relevant provisions of the Commercial Paper Regulations."

Responsibility:

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Programme Memorandum read together with this Applicable Pricing Supplement which would make any statement false or misleading and that all reasonable inquiries to ascertain such facts have been made as well as that the Programme Memorandum read together with this Applicable Pricing Supplement contains all information required by Applicable Law and, in relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, the JSE Debt and Specialist Securities Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, the annual financial statements, this Applicable Pricing Supplement and the annual report of the Issuer and any amendments or supplements to the aforementioned documents, except as otherwise stated therein or herein.

The JSE takes no responsibility for the contents of the Programme Memorandum, the annual financial statements, this Applicable Pricing Supplement, the annual report of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Programme Memorandum, the annual financial statements, this Applicable Pricing Supplements, the annual report of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the Notes is not to be taken in any way as an indication of the merits of the Issuer or of the Notes and, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

Application is hereby made to list the Notes on 18 November 2026.

SIGNED at SANDTON on this 16th day of November 2026

for and on behalf of

DISCOVERY LIMITED

Name: D M JOSEPH

Capacity: Director

Who warrants his/her authority hereto

Name: A. GORE

Capacity: Director

Who warrants his/her authority hereto

Schedule 1

ADDITIONAL TERMS AND CONDITIONS OF THE NOTES

*The following are additional Terms and Conditions (the **Additional Terms and Conditions**) in respect of the DSYC06 Notes (the **Notes**) which will be incorporated by reference into each Note of this Series.*

1. SCREEN RATE DETERMINATION FOR FLOATING RATE NOTES WHICH REFERENCE ZARONIA [REFERENCING COMPOUNDED DAILY ZARONIA (LOOKBACK WITHOUT OBSERVATION SHIFT)]

1.1 The Interest Rate payable from time to time in respect of the Notes for each Interest Period will, subject as provided below, be Compounded Daily ZARONIA (as defined below) for the relevant Interest Period plus the Margin (as specified in this Applicable Pricing Supplement), all as determined by the Calculation Agent in accordance with the provisions below, where:

Compounded Daily ZARONIA means, with respect to an Interest Period, the rate of return of a daily compound interest investment in ZAR (with ZARONIA as the Reference Rate for the calculation of interest) as calculated by the Calculation Agent (or such other party responsible for the calculation of the Interest Rate, as specified in this Applicable Pricing Supplement) on the relevant Interest Determination Date, in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the Relevant Decimal Place:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{Relevant\ ZARONIA_{i-5JBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

d is, in relation to any Interest Period, the number of calendar days in such Interest Period;

d_o is, in relation to any Interest Period, the number of Johannesburg Business Days in such Interest Period;

i is, in relation to any Interest Period, a series of whole numbers from one to d_o, each representing the relevant Johannesburg Business Day in chronological order from, and including, the first Johannesburg Business Day in such Interest Period;

Johannesburg Business Day or JBD means a day (other than a Saturday, a Sunday or an official public holiday) on which commercial banks are open for general business in Johannesburg, South Africa;

Lookback Period means the period specified as such in this Applicable Pricing Supplement;

n_i, for any Johannesburg Business Day "**i**" in the relevant Interest Period, means the number of calendar days from and including such Johannesburg Business Day "**i**" up to but excluding the following Johannesburg Business Day;

Publication Time means at or about 10.00 a.m. (Johannesburg time) or any amended publication time for the final intraday refix of ZARONIA specified by the SARB, as the administrator of ZARONIA (or any successor administrator of ZARONIA);

Relevant Decimal Place shall be the number of decimal places specified in this Applicable Pricing Supplement and will be rounded up or down, if necessary (with half of the highest decimal place being rounded upwards) (or, if no such number is specified, it shall be 5 (five));

Relevant ZARONIAi – 5JBD means, in respect of any Johannesburg Business Day i falling in the relevant Interest Period, the ZARONIA Reference Rate for the Johannesburg Business Day (being a Johannesburg Business Day falling in the relevant ZARONIA Observation Period) falling 5 (five) Johannesburg Business Days prior to the relevant Johannesburg Business Day **i;**

SARB means the South African Reserve Bank;

SARB's Website means the website of the SARB currently at http://www.resbank.co.za, or any successor page or website of the SARB (or a successor administrator of ZARONIA) or any successor source;

ZARONIA means the South African Overnight Index Average administered by the SARB (known as ZARONIA);

ZARONIA Observation Period means, in respect of the relevant Interest Period, the period from (and including) the date falling 5 (five) Johannesburg Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on (and include) the Interest Commencement Date) and ending on (but excluding) (a) the date falling 5 (five) Johannesburg Business Days prior to the Interest Payment Date for such Interest Period (and the last Interest Period shall end on (but exclude) the Maturity Date), or (b) the date falling 5 (five) Johannesburg Business Days prior to such earlier date, if any, on which the Notes become due and payable; and

ZARONIA Reference Rate means, in respect of any Johannesburg Business Day, a reference rate equal to the daily ZARONIA rate for such Johannesburg Business Day as provided by the SARB, as the administrator of ZARONIA (or any successor administrator of ZARONIA) to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is not specified or is unavailable at the Publication Time, as otherwise published by such authorised distributors or, if such daily ZARONIA rate cannot be obtained from such authorised distributors, as published on the SARB's Website, on the Johannesburg Business Day immediately following such Johannesburg Business Day.

For the avoidance of doubt, the formula for the calculation of Compounded Daily ZARONIA only compounds the ZARONIA Reference Rate in respect of any Johannesburg Business Day. The ZARONIA Reference Rate applied to a day that is not a Johannesburg Business Day will be taken by applying the ZARONIA Reference Rate for the previous Johannesburg Business Day.

1.2 If, in respect of any Johannesburg Business Day in the relevant ZARONIA Observation Period, the ZARONIA Reference Rate is not available on the Relevant Screen Page, has not otherwise been published by the relevant authorised distributors or is not published on the SARB's Website, such ZARONIA Reference Rate shall be:

(a) the daily ZARONIA rate last published on the SARB's Website the ZARONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Johannesburg Business Day on which the ZARONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) (the **Historic ZARONIA Reference Rate**); or

(b) if the Historic ZARONIA Reference Rate is not available, the sum of (i) the SARB Policy Rate prevailing at close of business on the relevant Johannesburg Business Day, and ii) the mean of the spread of the ZARONIA Reference Rate to the SARB Policy Rate over the previous 5 (five) Johannesburg Banking Days on which a ZARONIA Reference Rate has been published (after eliminating the highest such spread (or, in the event of equality, one of the highest) and the lowest such spread (or in the event of equality, one of the lowest),

For the purposes of this paragraph "**SARB Policy Rate**" means, in respect of any relevant day (including any day "**i**"), the repo rate (or any successor rate) which is the main policy rate of the SARB as determined and set by the monetary policy committee of the SARB and published by the SARB from time to time, in effect on that day.

1.3 In the event that the Interest Rate cannot be determined in accordance with the foregoing provisions of this Schedule 1 (*Screen Rate Determination for Floating Rate Notes Referencing Compounded Daily ZARONIA (Lookback Without Observation Shift)*), the Interest Rate shall be:

a) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period); or

b) if there is no such preceding Interest Determination Date, the initial Interest Rate which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

1.4 If the relevant Series of Notes become due and payable in accordance with Senior Note Condition 5 (*Redemption and Purchase*) or Senior Note Condition 6 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in this Applicable Pricing Supplement, be deemed to be the date on which such Notes became due and payable and the Interest Rate on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

Schedule 2

ADDITIONAL RISK FACTORS RELATING TO ZARONIA

The market continues to develop in relation to ZARONIA as a reference rate for Floating Rate Notes

Investors should be aware that the market continues to develop in relation to ZARONIA as a reference rate in the capital markets and its adoption as alternatives to JIBAR. In addition, market participants and relevant working groups are exploring alternative reference rates based on ZARONIA, including a term ZARONIA reference rate (which seeks to measure the market's forward expectation of an average ZARONIA rate over a designated term). The development of ZARONIA rates as interest reference rates for the South African bond market, as well as continued development of ZARONIA based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of the Notes.

The use of ZARONIA as a reference rate for bonds in the South African capital markets continues to develop both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing ZARONIA.

The market or a significant part thereof may adopt an application of ZARONIA that differs significantly from that set out in the Terms and Conditions as applicable to the Notes. Furthermore, the Issuer may in future issue Notes referencing ZARONIA that differ materially in terms of interest determination when compared with the Notes. In addition, the manner of adoption or application of ZARONIA reference rates in the South African bond market may differ materially compared with the application and adoption of ZARONIA in other markets, such as the derivatives and loan markets. Noteholders should carefully consider how any mismatch between the adoption of ZARONIA reference rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing ZARONIA.

ZARONIA differs from JIBAR in a number of material respects and has a limited history

ZARONIA differs from JIBAR in a number of material respects, including that ZARONIA is a backwards-looking, risk-free overnight rate, whereas JIBAR is expressed on the basis of a forward-looking term and includes a risk-element based on inter-bank lending. As such, investors should be aware that ZARONIA may behave materially differently as interest reference rates for the Notes, compared to JIBAR.

The future performance of ZARONIA may be difficult to predict based on the limited historical performance. The level of ZARONIA during the term of the Notes may bear little or no relation to the historical level of ZARONIA. Prior observed patterns, if any, in the behaviour of market variables and their relation to ZARONIA such as correlations, may change in the future.

Furthermore, the Interest Rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for Noteholders to estimate reliably the amount of interest which will be payable on the Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which factors could adversely impact the liquidity of the Notes.

The administrator of ZARONIA may make changes that could change the value of ZARONIA or discontinue ZARONIA

The South African Reserve Bank (or its successor), as administrator of ZARONIA, may make methodological or other changes that could change the value of ZARONIA, including changes related to the method by which ZARONIA is calculated, eligibility criteria applicable to the transactions used to calculate ZARONIA, or timing related to the publication of ZARONIA. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of ZARONIA (in which case a fallback method of determining the interest rate on the Notes will apply). The relevant administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing ZARONIA.

Public