

BOND INFORMATION & PRICING SUPPLEMENT



H2O SECURITIES PLC

PLANNED ISSUANCE OF 5 x USD 100,000,000 CORPORATE SEMI-ANNUAL COUPON BOND

5-Year Note | Worst-of-Structure | 100% Principal Protection (BBB/Baa2) | 100% Coupon Protection (BBB/Baa2)

10% Redemption Premium | YTM 5.14%/5.84% | EAY 5.93% | Redemption 30/09/2032 | ISIN tba

Planned Listings: Wiener Börse, UK LSE

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THE BOND

The H2O Securities Plc, Luxembourg Corporate Bond Programme are a series of secured bond notes, scheduled for trading on the Wiener Börse Exchange and the London Stock Exchange. It will facilitate settlement via Euroclear, Clearstream, and DTC. The bond is structured to provide fixed interest payments, disbursed semi-annually, commencing six months post-issuance.

An investment-grade insurance policy, rated by Moody's, will underpin the bond. This policy is designed to cover the *Worst-of-Structure* obligations related to the bond's principal and coupon payments, thereby reinforcing investor security.

In terms of its planned program, H2O Securities aims to issue new bonds annually, with a cumulative issuance cap of USD 500 million (or the equivalent in other currencies). The minimum denomination for these bonds is 100,000 units of the selected currency.

This combination of financial terms and robust insurance guarantees positions the GWIT Bond as a secure and reliable investment vehicle.

OVERVIEW

H2O Securities, incorporated in England and Wales with representative offices in South Africa and the United States, is a financial technology company specialising in the leasing of water infrastructure assets. Through its proprietary leasing platform, the company bridges the global funding gap in water projects by deploying mobile water treatment and infrastructure equipment under long-term lease contracts.

Leases run from 5–20 years, generating sustainable annuity income streams from both Public and Private Sector clients. This predictable cash flow, combined with asset backing and third-party Credit Default Swaps and Credit Risk Insurance, underpins a secure and scalable financing model.

H2O Securities, via its Luxembourg securitisation vehicle, will issue Corporate Bonds in scalable series notes of USD 100 million, to fund the acquisition, expansion, and upgrading of water treatment infrastructure.

PRIMARY MARKET BOND OPPORTUNITY

Exchange Trust is pleased to announce a primary market investment opportunity for the GWIT Healthcare Investments (THI) corporate bond, structured for institutional investors and fund managers. This offering provides attractive returns with strong security, aligned with sophisticated investment objectives.

KEY FEATURES

- **EXPECTED RATING:** Baa2 Moody's or better
- **DEFAULT SECURITY:** Principal & Coupon covered by Credit Default Insurance for Worst-of-Structure performance
- **TRUSTEE:** Independent Collateral Trustee
- **TERM:** 5-Years
- **CURRENCY:** USD
- **PLANNED ISSUE DATE:** 30 September 2026

Scenario	Issue Price ('000)	Maturity ('000)	ROI (7yr)	CAGR	YTM (Bond Eq.)	EAY
A1: No premium, no discount (Worst)	USD 100	USD 100	35.98%	4.47%	5.14%	5.19%
A2: No premium, with 3% discount (Worst)	USD 97	USD 100	40.2%	4.90%	6.00%	6.09%
B1: With 10% premium, no discount	USD 100	USD 110	45.98%	5.60%	5.84%	5.93%
B2: With 10% premium, with 3% discount	USD 97	USD 110	50.46%	6.07%	6.40%	6.50%

BOND STRUCTURE

USE OF PROCEEDS

- Acquisition of new mobile water treatment assets.
- Refitting, upgrading, and extending lifespan of existing assets.
- Expansion of the lease portfolio to creditworthy clients across multiple jurisdictions.

COLLATERAL AND REPAYMENT STRUCTURE

- Bonds are collateralised by investment-grade leases generated via the H2O platform.
- All leases are asset-backed and insured by A+ rated underwriters.
- Lease receivables flow into a segregated repayment account managed by the Luxembourg vehicle.

REPAYMENT WATERFALL

- i) Operating costs of the vehicle.
 - ii) Interest payments to bondholders.
 - iii) Principal repayments on scheduled maturity dates.
- Surplus lease income retained for reinvestment.

VALUE PROPOSITION FOR INVESTORS

1. Stable Fixed-Income Returns

- Long-term leases ensure predictable coupon coverage.
- Structured to outperform conventional investment-grade bonds on yield.

2. Institutional-Grade Risk Mitigation

- Insurance-backed, asset-secured leases.
- Diversified exposure across multiple geographies and client types.

3. Scalable & Repeatable

- Bonds issued in quantum to match portfolio growth.
- Continuous roll-out of new issuances reinforces investor security.

4. ESG / SDG Alignment

- Contributes directly to UN SDG 6: Clean Water and Sanitation.
- Demonstrable social and environmental impact with measurable KPIs.
- Strategic Advantages of H2O Securities

5. Thematic Focus

- Dedicated focus on water: A specialised player addressing a global crisis.
- Fintech-enabled platform: Blockchain and IoT provide real-time asset and cash flow transparency.

6. Securitisation expertise

- Luxembourg structure optimises regulatory and tax efficiency.

FIXED-INCOME BOND

The H2O Securities Corporate Bond Programme combines institutional-grade returns with real-world impact.

INVESTORS BENEFIT FROM

- Predictable fixed-income yields (6–7.5%).
- Strong security package underpinned by insured, asset-backed leases. Participation in one of the most essential ESG sectors – global water infrastructure.
- This programme offers investors a rare blend of yield, security, scalability, and sustainability – positioning H2O Securities as a pioneer in water infrastructure finance.

PARTICIPATION OPTIONS

DEMATERIALIZED OFFER

The H2O Securities Corporate Bond Programme will be offered through traditional settlement channels including Euroclear, Clearstream, and DTC, ensuring full compatibility with existing institutional investor infrastructure. This provides investors with seamless access, standardised custody, and reliable settlement processes, while maintaining the highest level of market credibility and operational efficiency.

DIGITAL TOKENISED OFFER

In addition to the traditional bond format, H2O Securities will also enable tokenised participation via its GWIT token, which represents digitally

fractionalised interests in the Corporate Bond Programme.

By tokenising the bond, H2O Securities unlocks enhanced liquidity, broader market access, and 24/7 secondary trading on regulated digital asset venues. For investors, this means the ability to hold a secure, asset-backed fixed-income instrument with all the benefits of blockchain transparency, faster settlement, and reduced transaction costs while still enjoying the institutional safeguards of the underlying bond structure.

OPTIONALITY

By combining traditional settlement with the optional tokenised GWIT structure, H2O Securities offers a dual-access model that caters to both conventional fixed-income investors and those seeking innovative digital solutions.

SETTLEMENT & DATABASE LISTINGS

Settlement of the H2O Securities Corporate Bonds, whether through traditional channels (Euroclear, Clearstream, DTC) or via the tokenised GWIT participation option, will be conducted strictly on a Delivery-versus-Payment (DVP) basis, ensuring that securities and cash are exchanged simultaneously, thereby eliminating settlement risk. No Free-of-Payment (FOP) transfers will be permitted. In addition, the bonds will be listed on Bloomberg and Reuters, providing investors with full price transparency, market visibility, and seamless integration into existing trading and portfolio management systems.

COLLATERAL MANAGEMENT

A dedicated Collateral Security Trustee has been secured to act exclusively on behalf of bondholders. This trustee's principal responsibility is to protect investor interests through stringent oversight, appropriate collateral management, and strict adherence to the bond agreement's terms.

The Collateral Security Trustee functions as an independent entity, providing bondholders with an additional layer of security by monitoring compliance, managing security assets and initiating necessary actions in the event of default or breach of terms.

KEY PARTIES

ROLE	ENTITY
Issuer	Exchange Trust Capital Markets Sàrl, Grand Duchy of Luxembourg
Borrower	H2O Securities Plc
Authorised Lead Manager	
Security Trustee	
Transfer Agent	Crea Trust Advisory Sàrl, Grand Duchy of Luxembourg
Auditors	Audit Conseil Services Sàrl
Distribution Agent	
Underwriter	
Settlement Agent	Kaiser Partner Private Bank
Transaction Advisor	Exchange Trust Settlement Services (Pty) Ltd

BOND INSURANCE

H2O Securities' bonds benefit from comprehensive security through an investment-grade rated insurance policy. This policy, rated by Moody's, provides a robust underpinning for the bond, designed to cover the 'Worst-of-Structure' obligations concerning principal and coupon payments. This ensures full repayment of both principal and interest in the event of default, thereby safeguarding investors against risks such as borrower insolvency, prolonged defaults, or force majeure events. The coverage remains non-cancellable for the entirety of the bond term.

COVERED EVENTS

- **Principal and Interest Protection:** Guarantees the repayment of both the principal amount and accrued interest on *Worst-of-Structure* basis in the event of a borrower's default.
- **Default Events:** Encompasses any failure to adhere to the agreed-upon payment terms, including instances where specified conditions are not met.
- **Protracted Default:** Provides coverage for defaults that extend beyond 30 days from the original due date.
- **Catastrophic Event of Default:** Addresses extreme scenarios such as borrower insolvency, bankruptcy, or other significant business disruptions that preclude repayment.
- **Force Majeure Events:** Offers protection against unforeseeable circumstances, including but not limited to natural disasters, acts of war, or terrorism, which prevent the borrower from fulfilling their obligations.

KEY BENEFITS FOR INVESTORS

- **Streamlined Claims Procedure:** Bondholders are not required to exhaust other remedies prior to filing a claim, thereby simplifying the process and mitigating delays.
- **Irrevocable Coverage:** The insurance coverage remains active for the entire duration of the bond's term, offering continuous protection for investors.

DISCLAIMER

This communication is exempt from general restrictions on promoting financial investments. It is intended solely for individuals classified as qualified investors with expertise and experience in investment matters. If you are not such an individual, you should refrain from acting on this communication and seek advice from a qualified financial professional specializing in investments.

QUALIFIED INVESTORS

INVESTMENT PROFESSIONALS:

Individuals whose regular business activities involve investing in shares, securities, or other financial instruments, or where it is reasonable to expect such activities. This may include directors, officers, or employees of such entities acting in their professional capacity.

CERTIFIED HIGH NET WORTH INDIVIDUALS:

Individuals who have signed a statement within the last 12 months confirming that they meet applicable criteria for high net worth, such as:

- Annual income exceeding a specified threshold (e.g., \$200,000 or equivalent currency).
- Net assets exceeding a designated amount (excluding primary residence, insurance rights, or pension benefits).

CERTIFIED SOPHISTICATED INVESTORS:

Investors who have:

- A certificate from a qualified financial professional, issued within the last three years, confirming their understanding of investment risks.
- Signed a declaration within the last 12 months acknowledging the risks involved and their acceptance of potential capital loss.

SELF-CERTIFIED SOPHISTICATED INVESTORS:

Investors who have signed a declaration within the last 12 months confirming that they:

- Are, or were within the past six months, a member of an investment network or group.
- Have made multiple investments in unlisted companies within the last two years.
- Have professional experience in private equity, venture capital, or SME finance within the last two years.

- Have served as a director of a company with a turnover exceeding a defined threshold (e.g., \$2 million or equivalent currency) within the past two years.

This communication is not intended for general distribution and should not be acted upon by individuals who do not meet these qualifications.

IMPORTANT NOTICE

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- Past performance is not indicative of future results.
- Investors should consult qualified financial advisors to evaluate their specific financial circumstances before investing.

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INVESTOR ADVISORY

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This primary market offering provides an opportunity to invest at a preferential rate, secure competitive fixed-income returns, and benefit from a 10% redemption premium at maturity, all underpinned by comprehensive insurance coverage.