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INFORMATION MEMORANDUM RELATING TO A PRIVATE PLACING OF SHARES IN

ORANGE RIVER CAPITAL LTD

(incorporated in England and Wales under the Companies Act 2006 with registered no: 12792623)
of up to 10,000,000 Euro/USD/GBP Convertible Loan Notes

Minimum Subscription
€/£/\$25,000

Fixed Coupon
10.25% - 11.25%

Important Notice

Orange River Capital Limited ("the Company") accepts responsibility for the information contained in this Memorandum. To the best of the knowledge and belief of the Company (having taken all reasonable care to ensure that such is the case), the information contained in this Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

Certain statements within this presentation constitute forward-looking statements. These forward-looking statements are based on information and views held as at the date of delivery of this presentation, and there can be no assurance that the results and events contemplated by the forward-looking statements contained in this presentation will, in fact, occur. Such forward looking statements involve risks and other factors which may affect the actual results, achievements or performance expressed or implied by such forward looking statements. Such risks and other factors include, but are not limited to, general economic and business conditions, changes in government regulations, currency fluctuations, competition, changes in development plans and other risks. Some statements may constitute the opinions of the Company's directors.

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All and any such responsibility and liability is expressly disclaimed. In particular, but without prejudice to the generality of the foregoing, no representation, warranty, assurance or undertaking is given as to the achievement or reasonableness of any future projections, management estimates, prospects or returns contained in this Memorandum, or in any other information, notice or document whatsoever howsoever it came to Recipients knowledge or possession. The recipient acknowledges and agrees that no person has, nor is held out as having, any authority to give any statement, warranty, representation, assurance or undertaking on behalf of Company in connection with the Proposed Transaction.

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- (i) persons having professional experience in matters relating to investments and who are investment professionals within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (“Order”),
- (ii) persons falling within Article 48 of the Order (“certified high net worth individuals”),
- (iii) persons falling within Article 49 of the Order (“high net worth companies, unincorporated associations, etc.”),
- (iv) are sophisticated investors falling within Article 50 of the Order, and
- (v) persons to whom it is otherwise lawful to distribute,

all such persons referred to in (i) to (v) above together being referred to as “Qualified Investors” and any of them as a “Qualified Investor”.

The investment or investment activity to which this IM relates is available only to Relevant Persons. It is not intended that this Information Memorandum be distributed or passed on, directly or indirectly, to any other class of person and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this Information Memorandum. This Information Memorandum and its contents are confidential and must not be distributed or passed on, directly or indirectly, to any other person. This Information Memorandum is being supplied to you solely for your information and may not be reproduced by, further distributed or published in whole or in part by any other person. Persons who do not fall within such descriptions may not act upon the information contained in this Memorandum.

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English law governs the issue, communication and terms of this document and any disputes arising in relation to any of them will be subject to the exclusive jurisdiction of the English courts.

Certain risks to and uncertainties for the Company are specifically described in the “Risk Factors” section of this IM. If one or more of these risk factors or uncertainties materialises, or if the underlying assumptions prove incorrect, the Company’s actual results may vary materially from those expected, estimated or projected. Given these risks and uncertainties, potential investors should not place any reliance on forward-looking statements. The whole text of this Information Memorandum should be read in full.



The European cannabis market is developing at a rapid pace. The latest projections indicate that sales alone are expected to reach **€3.2 Billion by 2025**, growing with a compound annual growth rate (cagr) of 67.4%

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Definitions

The following definitions apply throughout this document unless the context requires otherwise

Application, or Application Form	The terms and conditions and application form through which any Investment must be made.
Company, or Orange River Capital	Orange River Capital Ltd incorporated in England and Wales under the Companies Act 1985 with registered no: 12792623.
Closing Date	The date of 31st March 2024 (or earlier if fully subscribed) that the Company has set by which subscriptions must have been received.
Directors	The board of directors of the Company.
Dividend Payment Date	The date the coupon becomes payable, the first date of which will be 31 January 2024 and then payable on 31st January annually thereafter.
GAP and GACP	Good Agricultural Practice and Good Agricultural and Collection Practice respectively.
GMP	Good Manufacturing Practices.
£	UK Sterling currency.
€	EU Euro currency.
\$	US Dollar currency.
Greengrow Capital or Greengrow	Greengrow Capital Pty Ltd, a company incorporated in South Africa that has a commercial license with the Government of South Africa to grow and distribute Cannabis.
Gross Subscriptions	The Investment amount subscribed before any deductions of fees or commissions.
Investment	A subscription for Loan Notes in the Company.
Minimum Net Proceeds	The net subscription proceeds received by the Company after all professional fees and commissions have been deducted.
Ordinary Shares	Ordinary shares of \$1 par value of the share capital of the Company.
Preference Shares	The non-voting preference shares that the loan notes are convertible to
Convertible Loan Notes	The 3 year loan notes with a fixed coupon of 10.25% - 11.25%
Private Placing	The opportunity to subscribe for shares that has been restricted to Qualified Investors.
Private Placing Memorandum, Information Memorandum, or IM	This document.
Qualifying Investor	An investor that has certified themselves as either a high net worth individual, a sophisticated investor, professional or an institutional investor.
Recipients	An individual who has received this document having been identified as a Qualifying Investor.

Letter from the Directors

We are pleased to announce that our company has made a significant investment in the medicinal cannabis industry. As you are aware, the use of cannabis for medical purposes has been gaining traction worldwide, and we believe that this is a rapidly growing market with tremendous potential.

Our investment in this sector is driven by several factors.

Firstly, we believe that medicinal cannabis has the potential to revolutionise the treatment of a wide range of medical conditions. From chronic pain to anxiety and depression, cannabis has been shown to have a positive impact on the symptoms of many debilitating illnesses. Furthermore, as research into the medical benefits of cannabis continues, we expect to see more conditions added to the list of those that can be treated with this versatile plant.

In addition to its medical benefits, we also believe that the cannabis industry presents an exciting opportunity for growth and innovation. As legalisation of cannabis for both medicinal and recreational use becomes more widespread, we expect to see a proliferation of new products and services in this space. This presents a tremendous opportunity for companies like ours to invest in research and development, and to stay at the forefront of this rapidly evolving industry.

Of course, we are also acutely aware of the regulatory and legal complexities associated with the cannabis industry, and we have taken great care to ensure that our investment is both ethical and responsible. We have partnered with reputable and experienced cannabis producers and distributors who adhere to the highest standards of safety and quality control, and we are committed to playing an active role in the ongoing dialogue around the responsible use of cannabis.

We would like to thank our investors for their trust and support as we embark on this exciting new chapter in our company's history. We believe that our investment in medicinal cannabis has the potential to generate significant returns for our shareholders while also making a positive impact on the lives of patients who stand to benefit from this remarkable plant.

We sincerely look forward to welcoming you in becoming a partner of Orange River Capital.

Thank you,



Mark Bailey

Orange River Capital Ltd

Over **70 countries**
worldwide have
legalised cannabis
since 2014

Summary

The Company

Incorporated on 5 August 2020 Orange River Capital Limited was established as a UK based Special Purpose Vehicle (“SPV”) that acquired an operational stake in an established South African company that is a legally authorised producer of medicinal cannabis.

The Company intends to utilise the subscriptions raised in this placing to expand its cannabis cultivation and processing operations in South Africa as well as new acquisitions in Europe (E.U.).

The Private Placing

The Company is offering the opportunity for investors to subscribe for loan notes in Orange River Capital Ltd as part of its expansion program.

Expected subscriptions	\$10,000,000 *
Currency of Issue	EURO € / GBP £/ US \$
Loan Notes to be issued	10,000,000* in increments of €/£/\$1
Fixed Interest Coupon ("FIC")	10.25% - 11.25% per annum **
Coupon Payment Date	The first coupon payment date will be 31st October 2023 and payable quarterly thereafter ***
Representing	100% of the enlarged convertible loan note issue *
Enlarged Loan Note Issue	\$10,000,000*
Minimum Investment Subscription	€/£/\$ 25,000 per investor
Minimum Loan Notes Allocation	25,000 Loan Notes per investor (joint applications are permissible)

* USD equivalent, assuming the Private Placing is fully subscribed.

** Return based on the gross amount of subscriptions received

*** The calculation of interest can be found in the Terms and Conditions see page XX

About Orange River Capital

Introduction

Incorporated on 5 August 2020 Orange River Capital Ltd is a wholly owned subsidiary of Orange River Wealth LLP. It has been established as a special purpose vehicle (“SPV”) to undertake the transactions described in this information memorandum (“IM”).



Orange River Wealth

Orange River Wealth LLP has identified the growing global market of legal cannabis and to take advantage of this high growth industry with a first mover advantage has acquired an equity stake in Greengrow Capital Pty Ltd via its holding company Grocap Holdings, an operational pre-certified GAP/GACP certified vertically integrated cannabis cultivation facility, just outside Pretoria, South Africa through its dedicated SPV, Orange River Capital Ltd.



Orange River Capital

The specifically incorporated Orange River Capital as an SPV undertook the acquisition of shares in Grocap Holdings via its Series A funding round and now plans through its secondary Series B funding round to expand its portfolio of cannabis businesses with acquisitions of international and specifically EU based companies allowing access to the burgeoning new European market.

Our Corporate Structure

Orange River Capital Limited is a wholly owned subsidiary of Orange River Wealth LLP. The partners of Orange River Wealth LLP are also the directors of Orange River Capital Limited (see section Shareholders and Directors page 20).

The Business Strategy

Mission

Identifying the legal cannabis market as one of immense potential with anticipated exponential growth over the next decade, Orange River Wealth, via its subsidiary Orange River Capital, intends to become one of the leading producers of the highest quality medicinal cannabis in the market, offering diverse strain selection through genetic research. Already owning a medicinal cannabis cultivation facility in South Africa and producing high grade medicinal cannabis and cannabis concentrates, we are now set for national and international expansion with new acquisitions through our subsequent funding rounds creating a global brand in a burgeoning market.

Multi-Currency Convertible Loan Notes

Orange River Capital will commence an additional funding round of convertible loan notes totalling 10Million loan notes with a minimum per investor subscription equating to 25,000. The 3 year fixed convertible loan notes in Orange River Capital Limited shall have an annual coupon of 10.25%-11.25% paid quarterly. The proceeds from the loan notes funding round shall be used to expand the operations of Orange River Capital providing the CAPEX investment for new acquisitions in cannabis cultivation,

processing and dispensary in South Africa and Europe creating a global network of operations with international market access.

- €/£/\$10Million fund raise 2023
- 3 Year Fixed Loan Notes
- €/£/\$25,000 minimum subscription
- 10.25% Euro annual coupon
- 10.75% GBP annual coupon
- 11.25% USD annual coupon

Calculation of Interest

The payment of coupons will take place on the coupon payment date, investors should note that the first coupon payment will take place on 31st October 2023. Interest will be calculated pro rata, from the issuance of loan notes as per the terms and conditions of the loan notes.

The Company's Main Goals

- To take advantage of the newly created international legal cannabis industry.
- Seek new acquisitions of European based cultivation and processing operations providing direct access to the ever-expanding E.U. market.
- Expand the companies' holdings of cannabis businesses creating a global portfolio.
- Interlink the separate cultivation and processing operations delivering international access and multiple revenue streams not restricted by a single domestic market.
- Deliver outstanding ROI to our investors.
- Post planned new global acquisitions and expansion seek an equity buy-out or flotation of Orange River Capital preferential shares as an investor exit strategy.



The Global Cannabis market is set to reach **\$148.9 Billion** by 2031

Products & Services

There is an undoubted trend emerging that the next decade will be the exponential growth curve of cannabis research & product innovation. Orange River Capital intends to be a next generation market leader focused on operating in the entire cannabis ecosystem, from harvesting, cultivation, extraction and processing to the development of medical and recreational products for the end user.

Due to the excellent relationships already established via the companies first partnership in South Africa, Orange River Capital is best placed to create a globally integrated network of cultivation, extraction and distribution facilities servicing the growing international demand.

- Cultivate high grade legal cannabis.
- Secure a dedicated extraction and processing facility within the E.U. providing direct access for the company's grow operations to the expanding European market.
- Provide extraction and processing at our dedicated facility for other global cultivators, providing significant additional revenues.
- Expand the company's growing capabilities internationally with new acquisitions of pre-licensed facilities.
- Partner with established licensed dispensaries for sale medical cannabis.
- From harvest to manufacture, consolidating best practices at every level from GACP (Good Agricultural and Collection Practices) to GMP (Good Manufacturing Practices).

The Market

The global cannabis industry is poised for strong growth over the coming decade as expansion of legal access around the world accelerates.

70 countries around the world have legalised some form of cannabis for medical use, with 26 of those countries providing medical patients with legal access to high-THC cannabis. 10 countries have legalised cannabis for adult-use, with 6 adopting a system for regulated distribution.

Global Cannabis to Reach \$148.9 Billion by 2031: Allied Market Research

A significant surge in the international legalisation of cannabis has led to an increase of medical research for new applications, driving the ever-expanding global market.

International Legal Cannabis Market is expected to expand at a compound annual growth rate (CAGR) of 25.4% to 2030: Grand View Research

The global legal market size was valued at USD 16.7 billion in 2022 and is expected to expand at a compound annual growth rate (CAGR) of 25.4% from 2023 to 2030. The increasing demand for medical cannabis is a primary factor in the growth of the market.

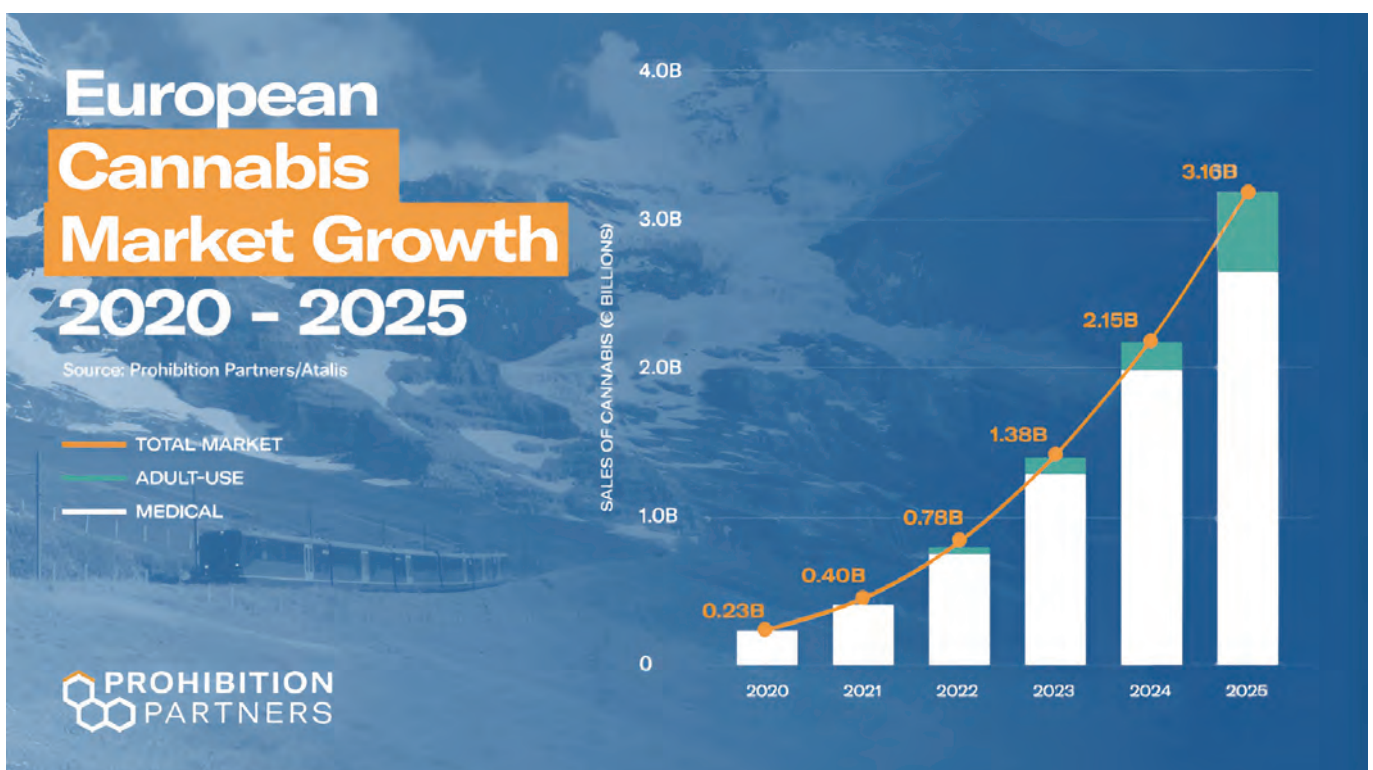
Europe – The New Frontier

The European cannabis market is forecast to grow with a compound annual growth rate (CAGR) of 67.4% to reach €3.2 billion by 2025.

The value of the European medical cannabis market reached €406 million by the end of 2021: a year-on-year growth of 75% compared to 2020. Any form of medical cannabis legalisation is a good indicator that full legalisation could eventually unfold. With multiple European countries legalising medical cannabis, Europe is expected to be the largest market in the world over the next five to 10 years.

With a population of more than 500 million, generally high per-capita gross domestic product (GDP) and health-insurance coverage for cannabis in several countries, Europe is seen by many in the industry as having the potential to one day be a larger market long term than the U.S. and Canada combined.

In Europe and across the world 2020 was a huge year for cannabis. The final quarter of 2020 saw several important developments internationally in the liberalization of cannabis. November 2020 saw the passing of cannabis legalization ballot measures in six US states. In the same month, the European Court of Justice ruled that CBD is not to be considered a narcotic substance under EU Law. Weeks later, the UN finally recognized the medical potential of cannabis by removing the plant and its derivatives from Schedule IV of the Single Convention on Narcotic Drugs. This was followed swiftly by the historic approval of the Marijuana Opportunity Reinvestment and Expungement (MORE) Act by the US House of Representatives which would federally decriminalize cannabis. In late 2021, the German government declared that they would allow the controlled sale of cannabis to adults for recreational purposes in licensed shops. Over the next few years Europe is projected to become the one of the world’s largest cannabis markets, second only to North America. And unlike North America, which is segmented state-by-state into patchwork of different regulations, the EU affords the potential for a much more unified market.



The Company to Date

The Company was incorporated on 5 August 2020 as a wholly owned subsidiary of Orange River Wealth LLP. The Company has one £1 share as its issued ordinary share capital, with the sole ordinary share owned by its parent company Orange River Wealth LLP.

As of its last filed confirmation statement dated 4th August 2022, its preferential share capital is as follows:

- 35,000 preferential A GBP shares with a nominal value of £70,000.
- 13,154,200 preferential A USD shares with a nominal value of \$3,288,550.
- The company's latest accounts are available publicly on Companies House.

The Management

The Directors of the Company are:

Mark Bailey Director

Mark brings over 25 years experience to the team having worked on a variety of overseas and UK projects managing B2B investor relations. Mark has a proven track record of understanding his clients and building long-term relationships. Successfully coordinating the European investment of major £100m+ property developments in Brazil and southern Europe, Marks vast international network is a vital component to the ongoing success of Orange River Wealth.

Stating his enthusiasm in bringing the project to the market Mark said:

"I am so excited to present this unrivalled opportunity to the world and to enable the participation of private clients in such a groundbreaking project from inception so they can share in its undoubted success story".

Lee Farbrace Director

Lee has 20 years' experience within the investment industry encompassing property development, commodities, renewable energy and private placements, developing an enviable eye in identifying high growth opportunities globally. Lee's visionary leadership and creative thinking allowed him to quickly rise through the ranks of a number of boutique investment companies in the city of London, overseeing multiple offices throughout Europe and the Far East. In the last decade Lee has focussed on investment structures and project finance in niche markets having helped to successfully fund projects from £5M - £50M+ in the UK and internationally.

In researching the potential of the legal cannabis market, Lee commented:

"Normally when embarking on a new venture in a burgeoning market we would be overly focused on the risk factors of an untested commodity, yet cannabis has been cultivated worldwide for centuries and has become the most profitable cash crop on the planet. Coupled with its ever-growing list of benefits when applied medically, we can only rightly consider its significant upside potential".

Advisors to the Company



Accountants

KLSA LLP
Kalamu House
11 Coldbath Square
London EC1R 5HL
klsa.net



Legal Advisors

Maddox Legal Ltd
Octagon Point
5 Cheapside
London EC2V 6AA
www.maddoxlegal.co.uk



FCA Corporate Advisor

London Court Ltd
58-60 Kensington Church Street
London W8 4DB
www.londoncourt.com



Fund Manager

Orange River Wealth LLP
8-10 Hill Street Mayfair
London W1J 5NG
www.orangeriverwealth.com

Of the **1.05 billion** people living across the **70 countries** with legal access to cannabis products, nearly one-third live in each North America (**35%**) and Europe (**33%**), followed by Latin America (**22%**)

Statutory Information

Orange River Capital Ltd was incorporated in England and Wales under the Companies Act 2006 as a private limited company, limited by shares on 5 August 2020.

Company number: 12792623.

Registered Office:

Orange River Wealth LLP

8-10 Hill Street
 Mayfair
 London W1J 5NG

T: +44 (0) 207 769 6722

E: hello@orangeriverwealth.com

W: www.orangeriverwealth.com

Share Capital

The Company's issued ordinary share capital is comprised of 1 ordinary share with a nominal value of £1 each.

As of its last filed confirmation statement dated 4th August 2022, its preferential share capital is as follows:

35,000 preferential A GBP shares with a nominal value of £70,000.

13,154,200 preferential A USD shares with a nominal value of \$3,288,550.

Shareholders

The table below lists all ordinary shareholders that have a holding in excess of 10% of the issued ordinary share capital:

Name	Position	Number of shares held	% of total issued shares
Orange River Wealth LLP *	Shareholder	1	100%

The Director's shareholdings in the Company are as follows:

Name	Position	Number of shares held	% of total issued shares
Mark Bailey	Director	0	0%
Lee Farbrace	Director	0	0%

* Shareholder note: the directors Mark Bailey and Lee Farbrace are the partners of Orange River Wealth LLP and as such are the beneficial owners of Orange River Capital Limited

The Directors

Mark Bailey is currently a director of the following companies:

Company Name	Incorporated	Appointed	Date Ceased
Orange River Capital Ltd	5/8/2020	16/6/2022	Active
Orange River Wealth LLP	7/8/2020	16/8/2022	Active

None of the above companies are traded on a public regulated stock exchange.

Lee Farbrace is currently a director of the following companies:

Company Name	Incorporated	Appointed	Date Ceased
Orange River Capital Ltd	5/8/2020	5/8/2020	Active
Orange River Wealth LLP	7/8/2020	7/8/2020	Active
Rock Solid Trading Ltd	28/1/2020	28/1/2020	Active
Rock Solid Trading Capital Ltd	18/2/2020	18/2/2020	Active
Phoenix Capital Investments Ltd	1/8/2017	1/8/2017	Active

None of the companies is traded on a public regulated stock exchange.

Subsidiaries

The Company currently has no subsidiaries, it is a wholly owned subsidiary of Orange River Wealth LLP.

Legal Disputes

The Company does not have any ongoing or outstanding legal disputes.

Material Contracts

The Company acquired an equity stake of the share capital of Greengrow Capital Pty Ltd via its Series A share round, it now intends to expand its portfolio of assets in Africa and Europe through its Series B funding round and has commenced negotiations with potential acquisitions.

Dividend Policy

The Company does not have a dividend policy in place, however, the articles of the Company have been written to reflect that a dividend payment of a fixed amount equal to 15% per annum of the Gross Subscriptions, and that an additional dividend payment of up to a further 10% of the Gross Subscriptions on Series A preferential shares and up to 5% further on Series B preferential shares may be paid at the discretion of the Directors.

Exchange Listing

The Directors are aware that having the Preference Shares admitted trading on a Recognised Stock Exchange is desirable in terms of generating liquidity and providing a suitable market capitalisation valuation for investors. However, it should be noted that whilst there is an intention to have the shares admitted to trading at some point there are no plans to take such action within the immediate future.

Rights

Subject to any special rights attached to any Loan Notes or Preference Share, all Loan Notes and Preference Shares in the Company rank *pari passu* as to rights to coupon/dividend payments and rights to the return of capital. The Loan Notes and Preference Shares are non-voting and rank ahead of the ordinary shares in respect of distribution of payments to investors and the return of capital.

Save as disclosed in this document:

- a. the Company does not have in issue any securities not representing share capital, and none of the Company's shares are held by or on behalf of the Company itself;
- b. the Company has not issued or granted options or warrants;
- c. no person has any preferential subscription rights for any share capital of the Company;
- d. there are no exchangeable securities or securities with warrants issued by the Company;
- e. there are no restrictions on the transferability of the ordinary shares.

Conflicts of Interest

The Directors do not consider that there are any conflicts of interest.

Transferability

The loan notes and preference shares are fully transferable without restriction.

Redeemability

The Convertible Fixed 3 Year Loan Notes will fall due 3 years from subscription UNLESS the Notes are converted to Series B Preferential Shares.

The preference shares are NOT redeemable.

The Private Placing & Use of Funds

The Company is looking to raise up to \$10,000,000 in return for a new issue of Convertible Loan Notes with a nominal value of \$/£/€ 1 each at a subscription price of \$/£/€ 1 per Loan Note, with a minimum subscription of £/\$/€ 25,000.

The directors of the Company are looking to undertake a private placing for 31,250,000 Series B Preference Shares to raise a maximum of \$10,000,000. The net proceeds of the Private Placing will be used to provide the Company with suitable working capital to fulfil the business plan as described in this Information Memorandum to acquire new assets in the cannabis sector both in Africa and Europe, creating a global portfolio.

Preference Shares currently in issue

As of its last filed confirmation statement dated 4th August 2022, its preferential share capital is as follows:

- 35,000 preferential A GBP shares with a nominal value of £70,000.
- 13,154,200 preferential A USD shares with a nominal value of \$3,288,550.

Exit Strategy

The Convertible Fixed Rate 3 year Loan Notes will be redeemed 3 years from subscription or before if a liquidity event, such as corporate buy-out is considered to be best practise by the Directors, OR unless the Loan Notes are converted to the equivalent in Series B USD shares as outlined in the Loan Note instrument.

Whilst there are no arrangements in place for Company to have its shares traded on a recognised stock exchange, the Directors intend for the shares to be admitted to trading on a recognised EU Growth Market at some point within the next 3-5 years. Currently the expectation is that the Directors intend for the shares to be admitted trading on a Stock Exchange that will provide international exposure, the reason for this is that the Company is looking to build its brands internationally from its UK base and would like to be able to offer the ability for its shares to be traded around the world on a fully regulated stock exchange.

Expected subscriptions 10,000,000 (maximum in this round of funding)

Notes to be issued 10,000,000, 3 year convertible loan notes (assuming placing is fully subscribed)

The total costs in relation to this Private Placing including payments to financial intermediaries are expected to be up to a maximum of 20% for any subscription introduced to the Company (assuming placing is fully subscribed).

The Minimum Net Proceeds of the Private Placing (assuming fully subscribed) are expected to be not less than \$7,000,000.

Investors looking to subscribe for notes need to ensure that they have read the risk warnings (see page 24-29) and the terms and conditions of investing (contained in the separate Application).

Risk Warnings

Investing in the Loan Notes and Preference Shares is subject to a number of inherent risks. There are numerous risk factors and uncertainties that may adversely affect the Issuer. Risk factors and major circumstances assessed to be of importance to the business of the Issuer and its future development are detailed below, in no particular order or priority and without being all-encompassing. Prior to investing in the Loan Notes or Preference Shares, prospective investors should carefully consider the risk factors associated with investment in the Loan Notes and Preference Shares, the business of the Issuer and the industry in which the Issuer operates, including regulatory, technical and financial risks.

Should any of these risks or other uncertainties actually occur, the business, operating results and financial condition of the Issuer could be significantly and adversely affected. This in turn could have a material adverse effect on the ability of the Issuer to meet its obligations (including repayment of the principal amount and payment of interest) under the Loan Notes or Preference Shares. Other risks not presently known to the Issuer and therefore not discussed herein, may also adversely affect the Issuer and detrimentally affect the price of the Preference Shares and the Issuer's ability to service its debt obligations. In addition to this section, a potential investor should also carefully consider all other information in this Company Description.

The Company Description refers to forward-looking statements which may be affected by future events, unknown risks and uncertainties. The Issuer's actual results and performance may vary considerably from the expected results represented in statements about the future due to many factors, amongst them, but not limited to, the risks described below and elsewhere in this Company Description.

Risks relating to investments

Investors should remember that the value of an investment and the income received from an investment can go down as well as up, and they may not get back the amount they invested and investors should be aware that they could lose the full amount of their investment.

Risks relating to the Issuer's business

Speculative nature of the investment

Holders of Loan Notes or Preference Shares may receive less than the original amount invested. Investing in a security of this nature, with potentially limited liquidity, is speculative and involves a significant degree of risk. It may not be possible to redeem the Loan Notes or Preference Shares prior to the Maturity Date. There may not be buyers willing to purchase the Preference Shares in the market.

No substantial operating history

The Company is a newly incorporated SPV, having been formed for the purpose of carrying out the business plan contained in this Company Description. The Company has a limited operating history and is therefore dependent on the Directors to carry out its business plan and conduct its day-to-day business. There is no guarantee that the Company's investment objectives will be achieved.

The Business model of the Company

The business model of the Company is as described in this IM, Investors should be aware that should the expected growth not occur or a downturn in the sectors occur any investment in the Loan Notes or Preference Shares could be at risk and investors could lose some or all of their investment.

Dependence on key persons

The Company and its business are dependent on a number of key persons including the directors and senior management. The loss of the services of any of these individuals could have a material adverse effect on the Company's business. It is possible that the identity of the Directors may change during the term of the Loan Notes or Preference Shares and, therefore, the ability of the Company to continue to meet its obligations to holders of Loan Notes or Preference Shares will also depend, inter alia, on its future directors and management team. The recruitment of suitably skilled Directors and the retention of their services or the services of any future management team cannot be guaranteed.

Risks relating to the Market Sector

The Company will be investing in agricultural operations outside the UK. Investors should be aware that no reliance should be put on the continued growth of this sector or the Company's competitive position within it.

The need to raise additional finance

If the financial forecasts from the initial business plan change or prove to be inaccurate the Company may require further financing. If it is unable to obtain any additional financing as needed, it may be required to either sell any or all investments held at that time. This may affect the returns to investors.

Risk of loss of business continuity

Whilst the Directors have a commitment to safeguard the Company's assets, the Issuer's business operations, information systems and processes, investors should be aware that the Directors are not able to guarantee future business continuity.

Risks relating to the structure of the Loan Notes and Preference Shares

- **Change of law:** The Conditions are based on English law in effect as at the date of this Company Description. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Company Description.
- **Financial Services Compensation Scheme (FSCS):** The Loan Notes and Preference Shares are not protected from loss by the UK Financial Services Compensation Scheme.
- **Tax and Independent Savings Accounts (ISA):** Loan Note and Preference Shares holders should seek their own tax advice as to the consequences of owning the Loan Notes or Preference Shares as well as receiving returns from them. No representation or warranty expressed or implied, is given to Loan Note or Preference Shares holders as to the tax consequences of their acquiring, owing or disposing of the Loan Notes or Preference Shares and neither the Company or its employee/Directors will be responsible for any tax consequences for any such applicants. Any commentary is general in nature and is intended as a guide only to the United Kingdom taxation consequences of the acquisition, ownership or redemption of the Loan Note or Preference Shares by a Holders of Loan Notes or Preference Shares resident in the United Kingdom.
- **Interest Rate Risks:** The Loan Notes and Preference Shares is a fixed rate obligation and involves the risk that Preference

Share Holders will not benefit from any subsequent increases in market interest rates.

- **Transference:** The Loan Notes and Preference Shares are transferable between individuals. In the case of death of a registered Loan Note or Preference Shares holder of the Loan Notes or Preference Shares or of any other event giving rise to the transmission of the Loan Notes or Preference Shares by operation of law, the only persons recognised by the Company as having any title to such Loan Notes and Preference Shares of such registered Loan Note or Preference Shares holders are the executors or administrators of that deceased registered Preference Shares holder's estate or such other person or persons as the Directors of the Company may reasonably determine. Any person becoming entitled to the Loan Notes or Preference Shares as a result of such transmission may upon producing such evidence as reasonably required by the Directors be registered as the holder of the Loan Notes or Preference Shares.

Forward looking statements

This Information Memorandum includes statements that are (or may be deemed to be) 'forward-looking statements'. These statements can be identified by the use of words such as 'believes', 'continues', 'expects', 'intends', 'may', 'would', 'should' etc. These forward-looking statements are not historical facts and do carry risks and uncertainties. Forward-looking statements contained in this memorandum should not be taken as representation that such trends or activities will happen in the future.

Legal Proceedings

Litigation may arise periodically, in the course of the Company's business. The Directors of the Company cannot rule out legal proceedings, whether with merit or not, being brought against the Company. Such litigation may have a material detrimental effect on the financial condition, results or operations of the Company.

Risks relating to the Loan Notes and Preference Shares

Investors are subject to credit risks

When investing in the Loan Notes or Preference Shares, holders are accepting a credit risk in respect of the Issuer. The commercial success and financial standing of the Company are crucial factors in its ability to fulfil its obligations to investors in accordance with the Terms and Conditions of the Loan Notes and Preference Shares.

Any unforeseen losses experienced by the Company, for example the non-repayment of Borrower Loans and/or because of other circumstances as detailed above, may adversely affect the Issuer's financial position and accordingly, the value of the Preference Shares. Furthermore, a downturn in the Company's financial standing may detrimentally affect its ability to secure debt financing at the Loan Notes or Preference Shares' Maturity Date, should the need to secure such financing arise.

Whilst Preference Shares rank ahead of ordinary shares in relation to the distribution of dividends and the return of capital it should be noted that such preference does not provide any form of guarantee that payments will be made to subscribers in relation to dividend payments or the return of capital in the event of the Company being wound up, or placed into administration.

Loan Notes and Preference Shares not protected by the Financial Services Compensation Scheme

Unlike a bank deposit, the Loan Notes and Preference Shares are not protected by the Financial Services Compensation Scheme (the "FSCS") or any other government savings or deposit protection scheme. As a result, the FSCS will not pay compensation to an investor in the Loan Notes or Preference Shares upon the failure of the Issuer. If the Issuer goes out of business or becomes insolvent, Holders of Loan Notes or Preference Shares may lose all or part of their investment.

Interest rate risks in relation to the Preference Shares

The value of the Preference Shares is dependent on many factors, one of the most critical being the level of market investment. Changes in market interest rates and/or the introduction of alternative products by mainstream lenders, may have a material adverse effect on the value of the Preference Shares.

Liquidity risks and listing of the Preference Shares

It is the intention of the Company to apply for listing of the Preference Shares on a suitably regulated exchange. However, there is a risk that the Preference Shares may not be admitted to trading. Moreover, even if the Preference Shares are admitted to trading on the regulated market, active trading in Preference Shares in general does not always take place. Accordingly, there is a risk that liquidity for trading in the Preference Shares will not be created or will not be maintained, even if the Preference Shares are listed.

Lack of liquidity in the market may impact negatively on the value of the Preference Shares and could result in Holders of Preference Shares being unable to sell their Preference Shares when they so desire; or indeed at a price level which allows for a profit on a par with that of comparable investments; or even for a sale equal to their face value. Moreover, the nominal value of the Preference Shares may vary from their market price, as they may trade under their nominal value, for example, to reflect the market's view of an increased risk. It should be noted that if any restrictions in trading in the market are imposed, or any other disruption to the market or serious price fluctuations occur, it may be difficult or impossible to sell the Preference Shares.

Volatility in the market price of the Preference Shares

The market price of the Preference Shares may fluctuate considerably in response to conditions in the general market. Such conditions may comprise, although are not limited to: variations in prevailing interest rates, regulatory changes or changes in legislation which may affect the Company, actual or assumed changes in the Company's operating results and those of the competition, any unfavourable business developments or downturn in the Company's prospects, adjustments in financial estimates by securities analysts and the actual or expected sale of a significant number of Preference Shares. The market price of the Preference Shares may also be detrimentally affected by price and volume fluctuations in the global financial markets, as has been observed in recent years.

Granting security over assets to third-parties

As per the Terms and Conditions of the Loan Notes and Preference Shares, the Company may incur additional financial indebtedness in the future, for which it may have to provide security. Should the Company subsequently become insolvent, the security granted to these additional debt providers would affect the Holders of Loan Notes and the Preference Shares, as these third-party debt providers would have competing claims that could rank senior to the Loan Notes or Preference Shares in respect of payments from asset realisation.

Should any such third-party debt provider holding security given by the Company, enforce such security because of a default under the relevant finance documentation, such enforcement may have a material adverse effect on the Company's assets and operations. This in turn may have a detrimental effect on the Holders of Loan Notes or Preference Shares financial position.

Risks relating to certain restrictions on the transferability of the Loan Notes and Preference Shares

The Loan Notes and Preference Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any U.S. state securities laws. Subject to certain exemptions, a holder of the Loan Notes may not offer or sell the Loan Notes in the United States. The Company has not undertaken to register the Loan Notes or Preference Shares under the U.S. Securities Act or any U.S. state securities laws or to affect any exchange offer for the Loan Notes in the future. Additionally, the Company has not registered the Loan Notes or Preference Shares under any other country's securities laws. It is each Loan Note/Preference Shareholder and each succeeding investor's obligation to ensure that their respective offers and sales of the Loan Notes or Preference Shares on the secondary market comply with all applicable securities laws. Should any investor violate the transfer restrictions that apply to the Loan Notes or Preference Shares, there is a risk that such investor will violate applicable securities laws, which would have adverse consequences.

Change of law

The Terms and Conditions of the Loan Notes and Preference Shares are based on English law in effect as at the date of this IM. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue.

Terms & Conditions and Application

The terms and conditions of the Loan Notes and the application to subscribe (the “Application”) are provided to Recipients as a separate Document supplied by the Company.

Please note that the Application is only available as a supplement to the IM and cannot be forwarded to a Recipient as a standalone document.

ORANGE RIVER CAPITAL LTD

3 YEAR CONVERTIBLE LOAN NOTE 10.25% - 11.25% FIXED COUPON

PRIVATE PLACEMENT MEMORANDUM

MARCH 2023

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