

MUA LTD

INFORMATION NOTE

PRINCIPAL TERMS OF THE EMPLOYEE SHARE SCHEME TO BE SET UP BY MUA LTD

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR ATTENTION

For a full appreciation of this document, it should be read in its entirety. If you are in doubt about the action you should take, you should consult your financial adviser, your investment dealer or any other independent adviser immediately.

This document is not an invitation to the public to subscribe for shares in MUA Ltd (“MUA” or the “Company”). An application has been made for the listing of up to 1,500,000 ordinary shares (the “Shares”) on the Official Market of the Stock Exchange of Mauritius Limited (“SEM”) by way of block listing in terms of the Employee Share Option Scheme.

The SEM and Listing Executive Committee assume no responsibility for the contents of this document, make no representation as to the accuracy or completeness of any of the statements made or opinions expressed therein and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon the whole or any part of the contents of this document.

20 February 2020

TABLE OF CONTENTS

1	INTRODUCTION	2
2	PURPOSE	2
3	ADMINISTRATION	2
4	PARTICIPATION	2
5	SHARES AVAILABLE FOR THE ESS	2
6	TERMS OF THE ESS	2
7	RETENTION PERIOD	3
8	CESSATION OF EMPLOYMENT	3
9	RIGHTS ATTACHED TO THE SHARES ISSUED PURSUANT TO ESS	3
10	EXERCISE PROCEDURES	3
11	TAXATION	3
12	GLOSSARY	3

1 INTRODUCTION

On 14 May 2019, the board of directors of MUA (the “Board”) has approved the setting up of an Employee Share Scheme (“ESS”) to the employees of MUA namely of The Mauritius Union Assurance Cy. Ltd, MUA Life Ltd, MUA Pension Ltd, MUA Mutual Fund Ltd and MUA Stockbroking Ltd, subject to the approval of the relevant authorities and that of the shareholders of MUA (the “Shareholders”).

In line with the above, the SEM has approved the listing of up to 1,500,000 ordinary shares on the Official Market of the SEM by way of block listing in terms of the ESS.

2 PURPOSE

The objectives of the ESS are as follows:

- Providing targeted incentives to staff;
- Aligning the objectives of staff members with those of the Shareholders;
- Encouraging the adoption of a team environment and business culture; and
- To increase individual productivity.

Participating employees will thus have the opportunity to share in the growth and prosperity of MUA Group.

3 ADMINISTRATION

The ESS will be administered by the Company in line with the terms of the present document. The Board shall be entitled to establish such rules and regulations as they deem necessary for the proper administration of the ESS.

4 PARTICIPATION

Employees of MUA Group shall be entitled to participate in the ESS, whereby they are granted the right to convert up to 50% of their annual performance bonus into shares of the Company.

Employees eligible to participate in the ESS (“Eligible Members”) are as follows:

- Those who have been confirmed at employment as at 31 December on the year on which the annual performance bonus was based; and
- Any leavers and sanctioned employees are not eligible.

5 SHARES AVAILABLE FOR THE ESS

The Board is allowed to issue an aggregate maximum number of 1,500,000 Shares under the ESS, subject to a maximum of 300,000 Shares being issued in any given financial year under the ESS.

In the event that the option entitlements exceed the above thresholds, the said option entitlements will be scaled down on a pro-rata basis.

Shares to be allocated in the context of the ESS will be newly issued ordinary shares by the Company and will be listed on the SEM. A copy of the present document has been filed with the Financial Services Commission.

6 TERMS OF THE ESS

All Eligible Members will be granted rights to subscribe for shares of the Company, for an amount of up to 50% of their annual performance bonus. The individual share entitlements will be communicated to each Eligible Member at the same time as the individual annual performance bonus is announced on or around 15 April in any financial year.

The exercise price will be equivalent to the Volume-Weighted Average Price of the shares of MUA over the last three months (the “Exercise Price”) prior to the announcement of the annual performance bonus (adjusted to reflect any change in capital structure), less a discount (the “Discount”) as may be determined by the Board in any given financial year. The Discount for the first year of the implementation of the ESS, as determined by the Board, will be in the order of 10%.

Eligible Members shall have the right to acquire the shares of MUA for a period of 14 days following the communication of the share entitlements (the “Exercise Period”). Beyond this 14-days period, the option to convert any annual performance bonus into shares of the Company shall lapse. Any option for conversion available to an Eligible Member cannot be assigned or transferred.

Upon exercising their options, in whole or in part, to acquire the Shares of the Company, the corresponding proportion of the individual annual performance bonus of the Eligible Member will be used to pay to the Company for the price of the Shares thus acquired.

Upon acquisition of the Shares through the ESS, the Company shall issue the Shares at the market price prevailing on the date these shares are issued and the difference between the price paid by the Eligible Members and the share issue price shall be paid to the Company by the relevant employer of MUA Group.

The proposed ESS will be implemented as from 1 January 2020. Participants who have acquired Shares through the ESS will have their ordinary shares credited to their CDS accounts.

7 RETENTION PERIOD

An Eligible Member having acquired shares under the ESS shall not have the right to sell the shares so acquired for a period of 1 year as from the date of purchase of the shares ("Retention Period").

This Retention Period may, however, be varied by the Board of the Company in certain specific cases.

8 CESSATION OF EMPLOYMENT

In the event an employee ceases to be employed by MUA Group during the Retention Period, the employee retains the ownership of the shares and the retention period remains valid.

9 RIGHTS ATTACHED TO THE SHARES ISSUED PURSUANT TO ESS

The ordinary shares acquired pursuant to the ESS will rank pari passu in all respects with existing ordinary shares issued, including for voting purposes and in full for all dividends and distributions on ordinary shares declared, made or paid after their issue and for any distributions made on a winding up of the Company. Each ordinary share acquired pursuant to the ESS shall confer upon its holder the right to one vote on a poll at a meeting of the Company on any resolution.

10 EXERCISE PROCEDURES

Eligible Members will be granted rights to convert up to 50% of their annual performance bonus into shares of the Company. The individual share entitlements will be communicated to each Eligible Member at the same time as the individual annual performance bonus is announced on or around 15 April in any financial year.

Shares acquired under the ESS will be pledged in favour of the Company during the Retention Period.

11 TAXATION

Eligible Members will be wholly and solely liable for any tax liability that may arise from converting any portion of their annual performance bonus into shares of the Company under the ESS.

12 GLOSSARY

TERM	DEFINITIONS
Board	The Board of Directors of MUA
Company	MUA Ltd
Discount	Discount to the Volume-Weighted Average Price of the shares of MUA over the last three months prior to the announcement of the annual performance bonus as may be determined by the Board in any financial year
Eligible Members	Employees of MUA Group as defined in Section 4
ESS	Employee Share Scheme
Exercise Period	A period of 14 days following the communication of the share entitlements to Eligible Members
Group	MUA and its subsidiaries
Exercise Price	Volume-Weighted Average Price of the shares of MUA over the last three months prior to the announcement of the annual performance bonus, as may be adjusted to reflect any change in capital structure, less "Discount").
MUA	MUA Ltd
MUA Group	Comprises of The Mauritius Union Assurance Cy. Ltd, MUA Life Ltd, MUA Pension Ltd, MUA Mutual Fund Ltd and MUA Stockbroking Ltd
Retention Period	A period of 1 year as from the date of purchase of the shares through the ESS where an Eligible Member shall not have the right to sell the shares so acquired
SEM	Stock Exchange of Mauritius Limited
Shares	Ordinary shares of MUA to be issued in the context of the ESS
Shareholders	The shareholders of MUA