

**Eastern and Southern African Trade Fund**  
**12 October 2026**

**Fund Credit Quality Rating**

| Fund Name                               | Fund Credit Quality Rating | Rating Action |
|-----------------------------------------|----------------------------|---------------|
| Eastern and Southern African Trade Fund | CARE MAU AAaf              | Reaffirmed    |

**Fund Summary**

|                                            |                                                     |
|--------------------------------------------|-----------------------------------------------------|
| Assets under Management as on 30 June 2026 | USD 490.6 million<br>EUR 1.4 million                |
| Launch date                                | August 2019                                         |
| Fund Reporting Currency                    | USD                                                 |
| Fund Manager                               | Eastern and Southern African Trade Advisers Limited |
| Custodian                                  | Afrasia Bank Limited, Mauritius                     |

**Bank Facility Rating**

| Facilities/Instruments    | Amount (MUR Million) | Rating <sup>1</sup>  | Rating Action |
|---------------------------|----------------------|----------------------|---------------|
| Bank Facility – Overdraft | 4,400<br>(USD 95)    | CARE MAU AAA; Stable | Reaffirmed    |

**Rating Rationale**

CARE Ratings (Africa) Private Ltd ("CRAF") reaffirms Fund Credit Quality Rating (FCQR) of CARE MAU AAaf to Eastern and Southern African Trade Fund ("ESATF") managed by Eastern and Southern African Trade Advisers Limited ("ESATAL"). CRAF also reaffirms rating CARE MAU AAA; Stable to the bank overdraft facility of ESATF.

The ratings continue to be underpinned by the portfolio's strong investment and credit guidelines, ability of ESATAL to manage the assets, healthy quality of the portfolio which is secured by comfortable collateral coverages.

The rating derives strength from major part of debt exposure to sovereigns with preferred creditor status (PCS), lenders' ringfencing waterfall mechanism of operational account or offshore account with bankruptcy remote structure to meet the repayment obligations in a timely manner with stipulation of debt service coverage covenants in some of the portfolio exposures and short-term maturity profile of the assets.

The rating also reflects the satisfactory diversification in borrower and country exposures, exposure to trade finance of essential goods like Oil, Trucks & Agri based commodities, highly liquid nature of the portfolio assets enabling the fund to meet any redemption pressure, protection from market-related risks on the back of central banks' interventions, and the track record of the fund in having negligible default in the portfolio asset and in delivering positive returns since its inception. Further, the rating of ESATF is also strengthened by the long-term commitment of its two anchor investors TDB and Arab Bank for Economic Development in Africa (BADEA) providing stability to the fund.

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratingsafrica.com](http://www.careratingsafrica.com).

**Rating Sensitivities:**

**Positive Factors** - Factors that could lead to positive rating action/upgrade. **Not applicable**

**Negative Factors** - Factors that could lead to negative rating action/downgrade:

- Sharp deterioration in the credit profile of TDB, the ultimate parent of ESATF
- Deterioration in the credit quality of the underlying securities of ESATF
- Increase in the concentration risk with more than 30% exposures in single counterparty or country
- Sharp decline in liquidity profile of the fund affecting the ability to meet redemption requests

**BACKGROUND**

ESATF is a limited liability company incorporated and registered in Mauritius and authorised to operate as a Collective Investment Scheme (CIS). The Fund is licensed as a Global Business Company (GBC) by the Financial Services Commission (FSC). ESATF invests in trade finance, structured commodity finance, export finance and project related finance transactions originating in or having exposure to Africa with a focus on countries in the Eastern and Southern African region. As on 30 June 2026, ESATF had MUR 22,644 million (USD 490.6 million + EUR 1.4 million) in assets under management (AUM) and since its launch in August 2019 till June 2026, the fund registered a total return of 56.56% and an annualised return of 6.69%. ESATF was established by TDB, an African development finance institution which is headquartered in Mauritius and serves 25 member states in its region, with the mandate to finance and foster trade, regional economic integration and sustainable development, through trade finance and project and infrastructure finance. ESATF is managed by Eastern and Southern African Trade Advisers Limited ("ESATAL"), a 100% subsidiary of TDB.

**Annexure I****Details of rated facilities****1. Short Term Facility****1.A. Overdraft Facility**

| Sr. No. | Name of Bank / Lender              | Facility  | Rated Amount                                  | Debt Repayment Terms           |
|---------|------------------------------------|-----------|-----------------------------------------------|--------------------------------|
| 1.      | Afrasia Bank Limited               | Overdraft | MUR 4,400 million<br>(USD 95 million)         | On demand, reviewable annually |
|         | <b>Total Short-Term Facilities</b> |           | <b>MUR 4,400 million<br/>(USD 95 million)</b> |                                |

**Disclaimer**

CARE Ratings (Africa) Private Limited ("CRAF")'s ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CRAF's ratings do not convey suitability or price for the investor. CRAF's ratings do not constitute an audit on the rated entity. CRAF has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CRAF does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CRAF have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CRAF may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CRAF is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CRAF is not responsible for any errors and states that it has no financial liability whatsoever to the users of CRAF's rating. CRAF's ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

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## Annexure II

### Rating Symbols for Instruments/ Facilities Long / Medium-term Instruments

| Symbols             | Rating Definition                                                                                                                                                                              |
|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CARE MAU AAA</b> | Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry lowest credit risk. |
| <b>CARE MAU AA</b>  | Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry very low credit risk.      |
| <b>CARE MAU A</b>   | Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry low credit risk.       |
| <b>CARE MAU BBB</b> | Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry moderate credit risk.  |
| <b>CARE MAU BB</b>  | Instruments with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations, in Mauritius.                                                |
| <b>CARE MAU B</b>   | Instruments with this rating are considered to have high risk of default regarding timely servicing of financial obligations, in Mauritius.                                                    |
| <b>CARE MAU C</b>   | Instruments with this rating are considered to have very high risk of default regarding timely servicing of financial obligations, in Mauritius.                                               |
| <b>CARE MAU D</b>   | Instruments with this rating are in default or are expected to be in default soon.                                                                                                             |

*Modifiers {"+" (plus) / "-"(minus)} can be used with the rating symbols for the categories CARE MAU AA to CARE MAU C. The modifiers reflect the comparative standing within the category.*

### Rating Outlook

The rating outlook can be 'Positive', 'Stable' or 'Negative'.

A 'Positive' outlook indicates an expected upgrade in the credit ratings in the medium term on account of expected positive impact on the credit risk profile of the entity in the medium term.

A 'Negative' outlook would indicate an expected downgrade in the credit ratings in the medium term on account of expected negative impact on the credit risk profile of the entity in the medium term.

A 'Stable' outlook would indicate expected stability (or retention) of the credit ratings in the medium term on account of stable credit risk profile of the entity in the medium term.

### Short term Instruments

| Symbols            | Rating Definition                                                                                                                                                                                                                                       |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CARE MAU A1</b> | Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations, in Mauritius. Such instruments carry lowest credit risk.                                                            |
| <b>CARE MAU A2</b> | Instruments with this rating are considered to have strong degree of safety regarding timely payment of financial obligations, in Mauritius. Such instruments carry low credit risk.                                                                    |
| <b>CARE MAU A3</b> | Instruments with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations, in Mauritius. Such instruments carry higher credit risk as compared to instruments rated in the two higher categories. |
| <b>CARE MAU A4</b> | Instruments with this rating are considered to have minimal degree of safety regarding timely payment of financial obligations, in Mauritius. Such instruments carry very high credit risk and are susceptible to default.                              |
| <b>CARE MAU D</b>  | Instruments with this rating are in default or expected to be in default on maturity.                                                                                                                                                                   |

*Modifier {"+" (plus)} can be used with the rating symbols for the categories CARE MAU A1 to CARE MAU A4. The modifier reflects the comparative standing within the category.*

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**Annexure II**
**Rating Symbols**  
**Fund Credit Quality Rating**

| <b>Symbols</b>       | <b>Rating Definition</b>                                                                                                                                   |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CARE MAU AAAf</b> | Funds with this rating are considered to have the highest degree of safety regarding timely receipt of payments from the investments that they have made.  |
| <b>CARE MAU AAF</b>  | Funds with this rating are considered to have high degree of safety regarding timely receipt of payments from the investments that they have made.         |
| <b>CARE MAU Af</b>   | Funds with this rating are considered to have the adequate degree of safety regarding timely receipt of payments from the investments that they have made. |
| <b>CARE MAU BBBf</b> | Funds with this rating are considered to have moderate degree of safety regarding timely receipt of payments from the investments that they have made.     |
| <b>CARE MAU BBf</b>  | Funds with this rating are considered to have moderate risk of default regarding timely receipt of payments from the investments that they have made.      |
| <b>CARE MAU Bf</b>   | Funds with this rating are considered to have high risk of default regarding timely receipt of payments from the investments that they have made.          |
| <b>CARE MAU Cf</b>   | Funds with this rating are considered to have very high risk of default regarding timely receipt of payments from the investments that they have made.     |

***Modifiers {"+" (plus) / "-"(minus)} can be used with the rating symbols for the categories CARE MAU AAF to CARE MAU Cf. The modifiers reflect the comparative standing within the category.***

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**About CARE Ratings (Africa) Private Limited:**

CARE Ratings (Africa) Private Limited (CRAF) is the first credit rating agency to be licensed by the Financial Services Commission of Mauritius in May 2015. It is also recognized by Bank of Mauritius as External Credit Assessment Institution (ECAI) from May 2016. CRAF is also licensed by Capital Markets Authority of Kenya to operate as a Credit Rating Agency in Kenya. CRAF intends to expand across other geographies in Africa with Mauritius as its hub of operations. With an equitable position in the Mauritius capital market, CARE Ratings (Africa) Private Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

CRAF's shareholders are CARE Ratings Limited, African Development Bank, MCB Equity Fund and SBM (NFC) Holdings Limited. CRAF gets its technical support in the areas such as rating systems and procedures, methodologies, etc. from CARE Ratings Limited on an ongoing basis. CARE Ratings Limited, with an established track record of rating companies over almost three decades, follows a robust and transparent rating process that leverages its domain and analytical expertise backed by the methodologies congruent with the international best practices.

CRAF's Rating Committee consist of full-time members comprising of Senior Rating officials from CARE Ratings Limited and a panel of experienced professionals from Mauritius and African Development Bank.

CRAF has had a pivotal role to play in developing bank debt and capital market instruments including MMIs, corporate bonds and structured credit.

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