

## FORM OF INSTRUCTION IN RESPECT OF A RENOUNCEABLE LETTER OF ALLOCATION

**IMPORTANT:** The definitions commencing on page 4 of the rights offer prospectus to shareholders dated 12 October 2016 ("Rights Offer Circular") apply, *mutatis mutandis*, to this form of instruction in relation to a letter of allocation ("Form of Instruction").

This document is of value and is negotiable.

If you are in any doubt as to how to deal with this Form of Instruction, you should consult your broker, legal adviser or other professional adviser without delay. This Form of Instruction must be read in its entirety, together with the "Rights Offer Circular". Words and expressions defined in the Rights Offer Circular shall have the same meanings in this Form of Instruction unless the context otherwise requires.

If you have disposed of all of your MPICO shares, the Rights Offer Circular and the Form of Instruction should be forwarded to the purchaser to whom, or the broker or agent through whom you disposed of your MPICO shares except that the Rights Offer Circular and Form of Instruction should not be forwarded or transmitted by you to any person in any territory other than Malawi unless the rights offer can lawfully be made to such person or in such territory.

A copy of this Form of Instruction, together with the Rights Offer Circular, and other requisite documents have been lodged with and registered, on 10 October 2016 and 12 October 2016 by the Registrar of Companies and the Registrar of Financial Institutions respectively.

Each amendment to this Form of Instruction must be signed in full and must not be initialled.



### MPICO LIMITED

(Incorporated in the Republic of Malawi on 12 August 1972)

(Registration number 1495)

("MPICO" or "Company")

**A renounceable rights offer of 1,149,023,730 new ordinary shares of MK0.05 each ("rights offer shares") to the holders of MPICO shares registered at the close of trade on 14 October 2016, at a subscription price of MK7.83 per share, in the ratio of 1 (one) rights offer shares for every 1 (one) MPICO share held.**

Par 4.68  
b - d &  
5.45  
MSELR

**Form of instruction in respect of a letter of allocation ("Form of Instruction")  
(issued to holders of certificated shares only)**

Name and address of shareholder	Reference number
(1)	Enquiries in connection with this Form of Instruction should be addressed to NBM Legal Department of the National Bank of Malawi quoting this reference number.

Account Number (to be filled by one of the receiving banks)	Number of MPICO shares held at the close of business on 14 October 2016	Numbers of rights offer shares that can be taken up in terms of paragraph 1 on page 2	Amount payable at MK7.83 per rights offer share
	(2)	(3)	MK (4)

Acceptance of shares	Number of rights offer shares accepted	Amount due at MK7.83 per rights offer share
<i>(To be completed by acceptors of the rights offer, if applicable)</i>	(5)	MK (6)

Application for additional rights offer shares	Number of additional rights offer shares for which the application is made	Amount due at MK7.83 per rights offer share
<i>(To be completed by acceptors wishing to apply for additional rights offer shares)</i>	(7)	MK (8)

Please note that the same or a lesser number of shares as the number mentioned in Block (3) above may be accepted	Amount of cheque/banker's draft
	MK (9)

**THIS FORM OF INSTRUCTION MUST BE COMPLETED IN ITS ENTIRETY AND RETURNED TO THE TRANSFER**

**SECRETARIES:**

**MPICO Limited Rights Offer  
NBM Legal Department  
National Bank of Malawi Limited  
PO Box 945, Blantyre**

so as to be received by no later than 3.00 pm on 9 November 2016.

<b>Last day to trade in MPICO Shares in order to participate in the rights offer (Record date for the rights issue)</b>	<b>14 October 2016</b>
<b>Rights Offer opens at 9:00 am; listing of and trading in Letters of Allocation on the MSE commences; Securities listed ex-rights</b>	<b>17 October 2016</b>
<b>Last day for trading Letters of Allocation on the MSE Last day for splitting Letters of Allocation</b>	<b>9 November 2016</b>
<b>Rights offer closes at 3:00 pm</b>	<b>11 November 2016</b>
<b>Results of the rights offer published in the press</b>	<b>18 November 2016</b>
<b>Rights offer shares issued and posted to holders of certificated shares on or about</b>	<b>21 November 2016</b>
<b>Listing of rights offer shares and trading therein on the MSE commences</b>	<b>21 November 2016</b>

Par  
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MSELR

*All reference to time is GMT+2 (Malawi time)*

Dear qualifying shareholder

**1. The rights offer**

The MPICO shareholders recorded in the register at the close of trade on 14 October 2016, are offered rights offer shares at a subscription price of MK7.83 per rights offer share, in the currency of Malawi, in the ratio of (1) one rights offer shares for every (1) one MPICO share held.

Par  
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4.68 d.  
MSELR

**2. Allocation**

The rights offer shares stated in Block (3) on page 1 have been provisionally allocated for subscription at a price of MK7.83 per rights offer share to the MPICO shareholder whose name is stated in Block (1) on page 1.

Par  
4.68.h.  
MSELR

**3. Acceptance and payment**

If you are a qualifying shareholder and wish to accept the rights offer you must complete blocks (5), (6) and (9) on page 1.

3.1 If you are the person(s) in whose name(s) this allocation was issued and wish to acquire all the rights offer shares allocated to you, complete the applicable blocks as stated above. Forms B and C need not be completed.

Par  
4.68.i.  
MSELR

3.2 If you are the person(s) in whose favour this allocation has been renounced and you wish to acquire the rights offer shares, complete the applicable blocks as stated above as well as Form C.

3.3 If you wish to acquire the rights offer shares, a properly completed Form of Instruction, together with a cheque (crossed "not transferable" and with the words "or bearer" deleted) or banker's draft (drawn on a registered bank) payable to "MPICO Limited – Rights offer" for the amount due in the currency of Malawi, must be lodged with the transfer secretaries at the address referred to on page 4 of the Rights Offer Circular, so as to be received by not later than 3.00 on 9 November 2016.

3.4 Such payment, when the cheque or banker's draft has been paid, will constitute acceptance of the rights offer upon the terms and conditions set out in the accompanying Rights Offer Circular and in this Form of Instruction, subject to the memorandum and articles of association of MPICO.

3.5 No acknowledgement of receipt will be given for a cheque or banker's draft received in accordance with the rights offer.

3.6 If this Form of Instruction and the cheque/banker's draft is not received as set out above, then the rights offer will be deemed to have been declined and the right to subscribe for the rights offer shares offered to the addressee or renounced in favour of his/her renounee will be deemed not to have been accepted, in the discretion of the directors of MPICO.

3.7 The rounded number of rights offer shares to which shareholders will become entitled will be determined by the ratio of entitlement.

**4. Sale or renunciation**

4.1 If you are a qualifying shareholder and wish to sell all or part of your entitlement, you must complete Form A in the attached form of instruction and return it to the transfer secretaries to be received by no later than 3.00 pm on 9 November 2016. Note that the transfer secretaries will endeavour to procure the sale of rights on the MSE on your behalf and to remit the net proceeds thereof in accordance with your instructions. In this regard, National Bank of Malawi will not have any obligation or be responsible for any loss or damage whatsoever in relation to or arising from the timing of such sales, the price obtained, or the failure to dispose of such entitlements.

Par  
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MSELR

4.2 If you are a qualifying shareholder holding certificated shares and you do not wish to acquire the rights offer shares allocated to you in terms of the rights offer you may renounce your rights by signing Form B, and the renounee who wishes to acquire the rights offer shares in terms of the rights offer must complete Form C, lodge this Form of Instruction and make payment, in terms of paragraph 3.3 above, for the number of the rights offer shares in respect of which the rights offer is accepted.

The lodging of this Form of Instruction, with Form B purporting to be signed by the shareholder whose name appears thereon, will be taken to be conclusive evidence of the right of the holder:

- to deal with this Form of Instruction; or
- to have the rights offer shares in question allotted and to receive a certificate for those shares.

Therefore, MPICO will not be obliged to investigate whether Forms B and C have been properly signed or completed or to investigate any fact surrounding the signing or lodging of either form.

**5. Excess applications**

5.1 MPICO shareholders will have the right to apply for rights offer shares in excess of their entitlements.

Par 5.4 &  
5.50  
MSELR

5.2 Applications for additional rights offer shares by certificated MPICO shareholders may only be made by completing Blocks 7, 8 and 9 on page 1. Excess applications will be dealt with as set out in paragraph 8.8 of the Rights Offer Circular, which accompanies this Form of Instruction. The pool of rights offer shares available to meet excess applications will be dealt with as set out below:

- if all the rights offer shares are taken up in the rights offer no additional rights offer shares will be made available for allocation to applicants; or

- if the rights offer shares taken up in the rights offer and the excess applications together are less than or equal to 100% of the number of rights offer shares available, the directors of MPICO will allocate any or all excess applications in an equitable manner; or
- if the rights offer shares taken up in the rights offer and the excess applications together exceed 100% of the number of rights offer shares available, rights offer shares in respect of excess applications will be allocated on an equitable basis and will take cognisance of the number of MPICO shares held by each applicant prior to such allocation and the number of rights offer shares for which application is made.

#### 7. MSE listings

The MSE has granted the listing of the:

- letters of allocation in respect of the rights offer shares with effect from the commencement of trading on 17 October 2016 to the close of trade on 9 November 2016, both days inclusive; and
- rights offer shares with effect from the commencement of trade on 21 November 2016.

Par 4.55  
& 4.68.h  
MSELR

#### 8. Documents of title

New share certificates to be issued to qualifying shareholders holding certificated shares in respect of those shares to which they were entitled and for which they have subscribed, will be posted to persons entitled thereto, by registered post, at the risk of the shareholders concerned, on or about 21 November 2016.

#### 9. Registration of documents

The following documents have been lodged with and registered, in English, by the Registrar of Companies and, if applicable, the Registrar of Financial Institutions:

- a signed copy of the Rights Offer Circular;
- a copy of the Form of Instruction with respect to allocation to be issued in relation to the rights offer.

#### 10. Commitment by the underwriters

NICO Asset Managers Limited, FDH Financial Holdings Limited and Old Mutual Limited have agreed to underwrite the rights offer to a maximum of MK9 billion. The underwriting agreements are unconditional. Further information relating to the underwriting is disclosed in Annexure 2 of the Rights Offer Circular.

By order of the board

#### MPICO Limited



Company Secretary  
Lilongwe  
23 September 2016

#### Registered office

Old Mutual House  
Robert Mugabe Crescent  
PO Box 30459, Lilongwe

#### Transfer Secretaries

National Bank of Malawi  
NBM Legal Department  
PO Box 945, Blantyre

#### GENERAL INSTRUCTIONS AND CONDITIONS

- Powers of attorney:** If this form is signed under a power of attorney, then the original or certified copy thereof must be sent to the receiving (Receiving Bank) and certification (Transfer Secretary) office for noting unless it has already been registered with MPICO or the transfer secretaries.
- Companies:** A company wishing to exercise its rights must send the original or certified copy of the directors' or members' resolutions authorising the exercise of such rights to the receiving and certification office for noting.
- Stamp of broking member of the MSE:** If any signature to Form B is confirmed by the stamp of a broking member of the MSE then (a) or (b) above, as the case may be, will not apply.
- Deceased estates and trusts:** Shares will not be allotted in the name of an estate or a trust. Therefore, where the right to the rights offer shares in MPICO has accrued to the estate of a deceased holder or a trust, the executor or administrator or trustee (as the case may be) must complete Form B in his representative capacity and Form C must be completed by the person in whose name the rights offer shares are to be allotted without any reference to the estate or the trust.
- Joint holders:** Where applicable, all joint holders of letters of allocation must sign.
- Receipts and documents:** No receipts will be given for completed letters of allocation and remittances. Documents accompanying applications will be returned by the transfer secretaries in due course, at the risk of the applicant.
- Share certificates:** MPICO uses the "certified transfer deeds and other temporary documents of title" procedure approved by the MSE and, therefore, will issue only one "block" share certificate for the shares allotted by it to each certificated acceptor of the offer.

The completed form of instruction must be delivered or posted to:

**MPICO Limited – Rights offer**  
**National Bank of Malawi**  
**NBM Legal Department**  
**PO Box 945, Blantyre**

to be received by no later than 3.00 pm on 9 November 2016

**FORM A: INSTRUCTION TO SELL**

PLEASE USE BLOCK LETTERS

(To be completed and signed by the shareholder if the LETTER OF ALLOCATION in respect of the right to the rights offer shares is to be SOLD by the transfer secretaries on behalf of the shareholder.)

**TO: Transfer Secretaries: National Bank of Malawi; NBM Legal Department  
PO Box 945, Blantyre (FOR MPICO LIMITED)**

I/We hereby instruct you to sell my/our rights to \_\_\_\_\_ (insert number of shares) MPICO Limited rights offer shares and to pay the proceeds, if any, of the sale of the rights allocated to me/us in terms of this form (less [...] plus taxes and costs).

Signed \_\_\_\_\_

Date \_\_\_\_\_

2016

Stamp and endorsement  
of selling broker (if any)

**Payment instructions:**

Please tick appropriate box

1. By cheque, which should be posted at my/our own risk to the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

OR

2. By electronic funds transfer to the following bank account:

Name of account holder

Name of bank

Account number

Branch code

**PLEASE NOTE THAT IF THE ABOVE INFORMATION IS NOT COMPLETED OR IF CONFLICTING INSTRUCTIONS ARE GIVEN, A CHEQUE IN PAYMENT OF THE AMOUNT WILL BE SENT TO THE ADDRESS RECORDED IN MPICO'S SHAREHOLDER REGISTER**

**FORM B: FORM OF RENUNCIATION**

(To be signed by the shareholder named in Block (1) on page 1 if the right to the rights offer shares are to be renounced.)

**To: Transfer Secretaries: National Bank of Malawi; NBM Legal Department; PO Box 945, Blantyre**

I/We hereby renounce my/our right to subscribe for \_\_\_\_\_ (insert number of shares) MPICO Limited rights offer shares allocated to me/us as stated in Block (3) on page 1 in favour of the person(s) completing the Registration Application Form (Form C) in relation to such rights offer shares.

Signed \_\_\_\_\_

(Signature(s) of person(s) renouncing)

Date \_\_\_\_\_

2016

Assisted by me (where applicable) (all joint holders)

**Forms of renunciation on split Provisional Allotment Letters will be marked "Original duly renounced"**

Stamp and endorsement  
of selling broker (if any)

**FORM C: REGISTRATION APPLICATION FORM (TO BE ACCOMPANIED BY A BANK GUARANTEED CHEQUE OR BANKER'S DRAFT)**

(To be completed by the renounee to whom the rights offer shares are to be issued.)

Once this form has been completed it will no longer be negotiable.

To: **Transfer Secretaries: National Bank of Malawi; NBM Legal Department; PO Box 945, Blantyre**

I/We

- (a) authorise you to procure the issue of the rights offer shares represented by this form in my/our name(s) upon the conditions set out in the Rights Offer Circular;
- (b) authorise the Company to place such name(s) on the register of the Company.

Stamp of buying broker (if any)  
or name and address of  
lodging agent

PLEASE USE BLOCK LETTERS

Surname(s) **OR** Name of company

Title

First names in full

Registration Number

Postal address (preferably a PO Box address)

Telephone number (Office hours) ( )

Email address

Signed

Date

2016

Assisted by me (where applicable) all joint holders must sign

**FORM D: POSTAL INSTRUCTIONS**

The shares certificate is to be forwarded by registered post at my/our risk to the under mentioned address:

PLEASE USE BLOCK LETTERS

Name

Address

(If no specific instructions are given here, the share certificate will be forwarded either to the address shown in Block (1) of this Form of Instruction or if Form C has been completed to the address shown therein.

Signed

Date

2016