

FUND INFORMATION

Fund Manager:	Altvest Capital Ltd
Fund Legal Structure:	Segregated
Launch Date:	11 August 2023
Fund Benchmark:	SA prime + 2%
Target Fund Size:	R5 Billion
Base Currency:	ZAR

RISK PROFILE



FUND DESCRIPTION

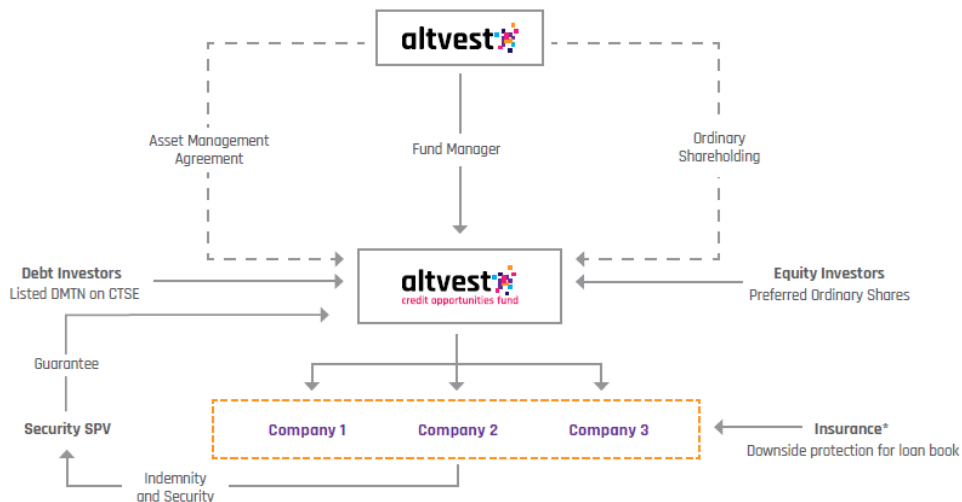
Altvest Credit Opportunities Fund is a digitally-enabled investment fund focused on providing affordable debt financing to South African SMEs, with a focus on women-led businesses. This fund will raise capital from both debt and equity investors via listed investment instruments, and offer diversified exposure to a portfolio of private credit disbursed to South African SMEs. This fund is tailored for long-term investors seeking SME credit exposure via a regulated and ESG-friendly structure and targets risk-appropriate returns of SA prime + 2% per annum for debt investors, and a forecasted IRR of 28% per annum for equity investors

FUND OBJECTIVE

The Altvest Credit Opportunities Fund (ACOF) aims to revolutionise the South African SME funding landscape. ACOF prioritizes affordable working capital and asset financing solutions for SMEs in an innovative manner and by offering competitive financing rates. Businesses aligning with ACOF's impact drivers, promoting women's inclusion in business, gain eligibility for additional discounted rates.

ACOF utilizes innovative technology for facilities and advisory support, aiding SMEs in their growth endeavours. The fund tackles challenges posed by financial institutions in structuring funding solutions for small businesses. All loans are secured. ACOF is fully owned by Altvest Capital, encompassing asset management, media, and marketing services.

FUND STRUCTURE



To meet its Fund objective, the AltVest Credit Opportunities Fund raises equity and debt capital via listed markets. The capital raise options are in the form of the listing of Class C preferred ordinary preference shares and debt notes through the CTSE DMTN program. Additional information is available at www.altvestcapital.co.za

TARGET EXPOSURE AND LIQUIDITY LIMITS AS PER INVESTMENT MANDATE

DESCRIPTION	TARGET LIMIT, UP TO R1 BILLION	TARGET LIMIT, IN EXCESS OF R1 BILLION
Single underlying asset	10% of AUM	15% of AUM
Single credit fund	30% of AUM	15% OF AUM
Asset weighted average portfolio liquidation	3 months to 5 years	3 months to 5 years

LONG-TERM TARGET ASSET ALLOCATION

ASSET CATEGORY	RANGE
Working capital facilities	15% - 65%
Energy solutions and asset finance	30% - 80%
Cash and cash equivalents	At least 5% at all times

WHO IS ACOF BEST SUITED FOR?



Investor with a moderate-to-high risk appetite



Investor seeking high-yield income flows



Investor with medium-to-long term investment horizons



Investor seeking high yields driven by active management

PORTFOLIO COMPOSITION



The initial portfolio will consist of a range of credit facilities spread across a network of suppliers associated with a leading property development and management company that has over 40 million m^2 of space under management and over 7000 verified suppliers onboarded onto their procurement platform. ACOF has identified at least 1000 of these suppliers as SMEs that could qualify for funding that will be secured against our strategic partner's procurement expenditure.

We will follow our philosophy of enhancing access to women-owned business by incentivising inclusion and representation through reduced borrowing costs to women led SMEs.

OPTIONS TO ACCESS THE OPPORTUNITY

Investors may access ACOF through two channels:

- Preferred ordinary equity on the Cape Town Stock Exchange:
This represents equity ownership in the "business" of ACOF and enables participation in the profits of the undertaking.
- Debt Notes (DMTN) listed on the Cape Town Stock Exchange.
This represents the provision of capital to ACOF to conduct its lending business and earns investment returns at the Fund Benchmark rate.

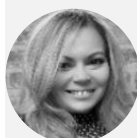
INVESTMENT TERMS

STRUCTURE	OPEN-ENDED
Manager	Altvest Capital Ltd
Subscription Method	Equity/DMTN Program
Instruments – Direct	Preferred Ordinary Shares and Debt notes listed on the CTSE
Redemption Notice	None

BASIC TERMS

	DEBT	PREFERRED EQUITY
Target fund size	Up to R5bn	R145 million
Target fund return	SA Prime + 2%	IRR = c 28%
Distribution frequency	Annual	Annual
Issue price per share	-	R 3.00
Value issued to investor	-	66%
Value retained by Altvest	-	34%
Minimum investment	R 1 million	R3.00
Fees	None	2%

For more information, or to find out how to invest, please reach out to us;



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Contact Us

Altvest Credit Opportunities Fund Ltd, Registration number: 2022/737301/06 is an authorized issuer for debt on the Cape Town Stock Exchange.
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