



ALTVEST CAPITAL LIMITED

Incorporated in the Republic of South Africa

(Registration Number: 2021/540736/06)

Ordinary Shares: ISIN: ZAE400000143, Share Code: 4AAVC

Class A Preferred Ordinary Shares: ISIN: ZAE400000168 Share Code: 4AVUMG

Class B Preferred Ordinary Shares: ISIN: ZAE400000176 Share Code: 4AVBAM

Class C Preferred Ordinary Shares: ISIN: ZAE400000192, Share Code: 4ACOF

(“Altvest Capital” or the “Company” and together with its affiliates “the Group”)

TRADING UPDATE FOR THE SIX-MONTH PERIOD ENDED 31 AUGUST 2023

1. SALIENT FEATURES

- 1.1. Total income for the period is expected to exceed R75 million; driven primarily by a once-off fair value gain related to the investment stake in Altvest Credit Opportunities Fund. For comparison, Total Income for the 6-month period ended 31 August 2022 totalled ~R2.3 million
- 1.2. Altvest Capital has secured contractual commitments for R100 million into Altvest Credit Opportunities Fund (“ACOF”), in its capacity as fund manager; and
- 1.3. The Group is expected to return to a positive NAV and EPS; with NAV expected to be between R7.00 - R7.50 per share, R1.82 for 31 August 2022, and EPS expected to be between R6.00-R6.50, (R3.00) for 31 August 2022, respectively for the period ended 31 August 2023.

2. Summarised Statement of Profit or Loss and Other Comprehensive Income:

	Un-audited 31 August 2023 (6 months) R	Un-audited 31 August 2022 (6 months) R
Total Income	75,023,677	2,362,093
Total Expenses	(7,665,872)	(27,940,189)
Net profit / (Loss) after taxation	63,163,185	(28,426,312)

For the 6-month period ended 31 August 2023, Altvest Capital expects to record a net profit of c. R63 million. This was driven primarily by a once-off fair value gain from its investment into the Altvest Credit Opportunities Fund (“ACOF”) of c. R75 million.

This gain results from a once-off revaluation of ACOF after the listing of Altvest Capital’s Class C Preferred Ordinary Shares on the Cape Town Stock Exchange. The ACOF valuation is supported by pre-money and post-money valuations calculated by independent 3rd party valuation experts.

Altvest Capital has also secured significant contractual commitment into Altvest Credit Opportunities Fund of R 100 million. In future periods, Altvest Capital is expected to earn the following fees in its capacity as ACOF’s fund manager:

1. 2% of assets under management per annum;
2. 40% of upfront fee levied to borrowers on loan disbursement.

Shareholders should note that the prior period comparative contained significant once-off expenses pursuant to the listing of Altvest Capital, whereas the profit in the current period is driven by the once-off fair value gain on ACOF.

3. Summarised Statement of Financial Position:

	Un-audited 31 August 2023 (6 months) R	Un-audited 31 August 2022 (6 months) R
Total Assets	101,250,559	22,635,646
Total Liabilities	29,543,300	4,220,254
Total Equity	71,707,259	18,145,392

Growth in total assets is driven primarily by the abovementioned fair value gain in the valuation of ACOF, from a valuation of nil to the fair value of ~R75 million

Growth in Liabilities is primarily driven by the increase in financial liabilities designated at fair value through profit or loss through the issuance of Preferred Ordinary Shares. As at the publication date of this announcement, Altvest Capital has substantively concluded its capital raising for both Umganu Lodge and Bambanani Family Group, with the capital raise in respect of ACOF forecasted to be ongoing over a five year period.

Growth in Equity is primarily driven by the profits generated during the reported period, as detailed above. The Group has shifted in this reporting period from trading at a premium to NAV to trading at a discount, largely due to crystalizing the value created by incubating ACOF. NAV per share is expected to be between R7.00 and R7.50 per share, an increase from R1.82 as at 31 August 2022

3. Cash flow

Although the successful launch of ACOF will result in revenue generation, it is expected that further funding from the founders may be required in the short term. Interim results for the period ended 31 August 2023 will be released on or about 03 November 2023.

25 October 2023

ISSUER AGENT TO ALTVEST CAPITAL

BSM Sponsors Proprietary Limited

COMPANY SECRETARY

CTSE Registry Services Proprietary Limited.

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