

**altvest**  
credit opportunities fund

# INFO MEMO

for IPO on JSE



# Introduction to the Altvest Credit Opportunities Fund

## WHAT IS ACOF?

We connect ideas to capital by providing SMEs with access to structured debt solutions, while simultaneously allowing investors, including retail investors, to co-fund these capital needs.



A predominantly female team with extensive experience in Private Credit and SME financing.



A platform enabling secured lending and women empowerment, cutting borrowing rates by 25-40% vs our competitors.



A division of Altvest with the same goal of democratizing the financial / investment landscape.



Our business focuses on delivering economic value and impact to

## 3 GROUPS

### EQUITY INVESTORS

Private Credit product offering target equity of IRR of c 26% - 28% (net of fees) over a horizon of 7-12 years and at moderate risk.

### DEBT INVESTORS

A R5bn Domestic Medium Term Note Programme which is listed on the CTSE.

### SMEs

An opportunity to obtain fast and flexible funding leveraging securitized debt.



# A summary of our performance and impact to date



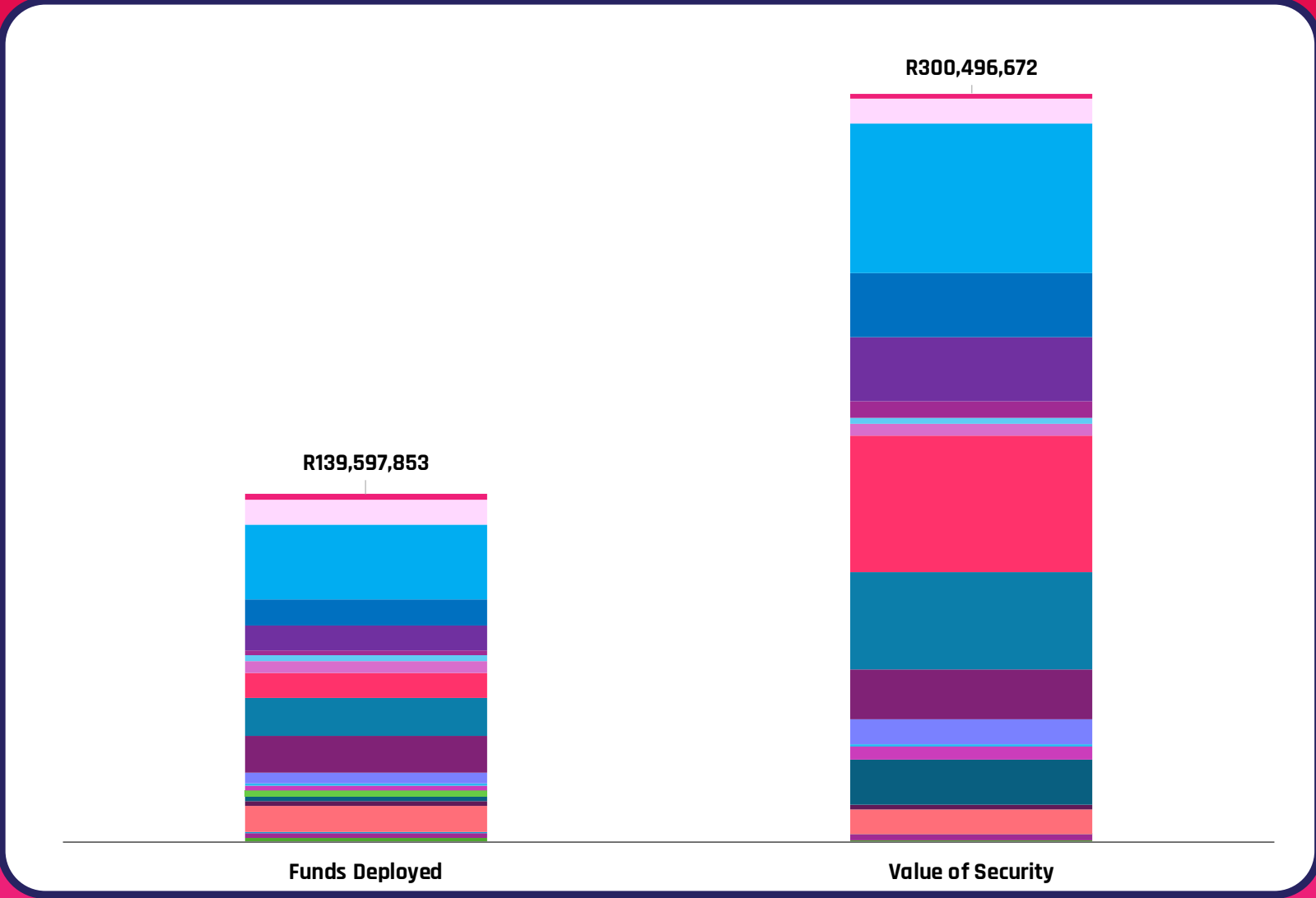
**R256** Assets under management  
**MILLION**

**16** SMEs funded

**29** Average loan term  
**MONTHS**

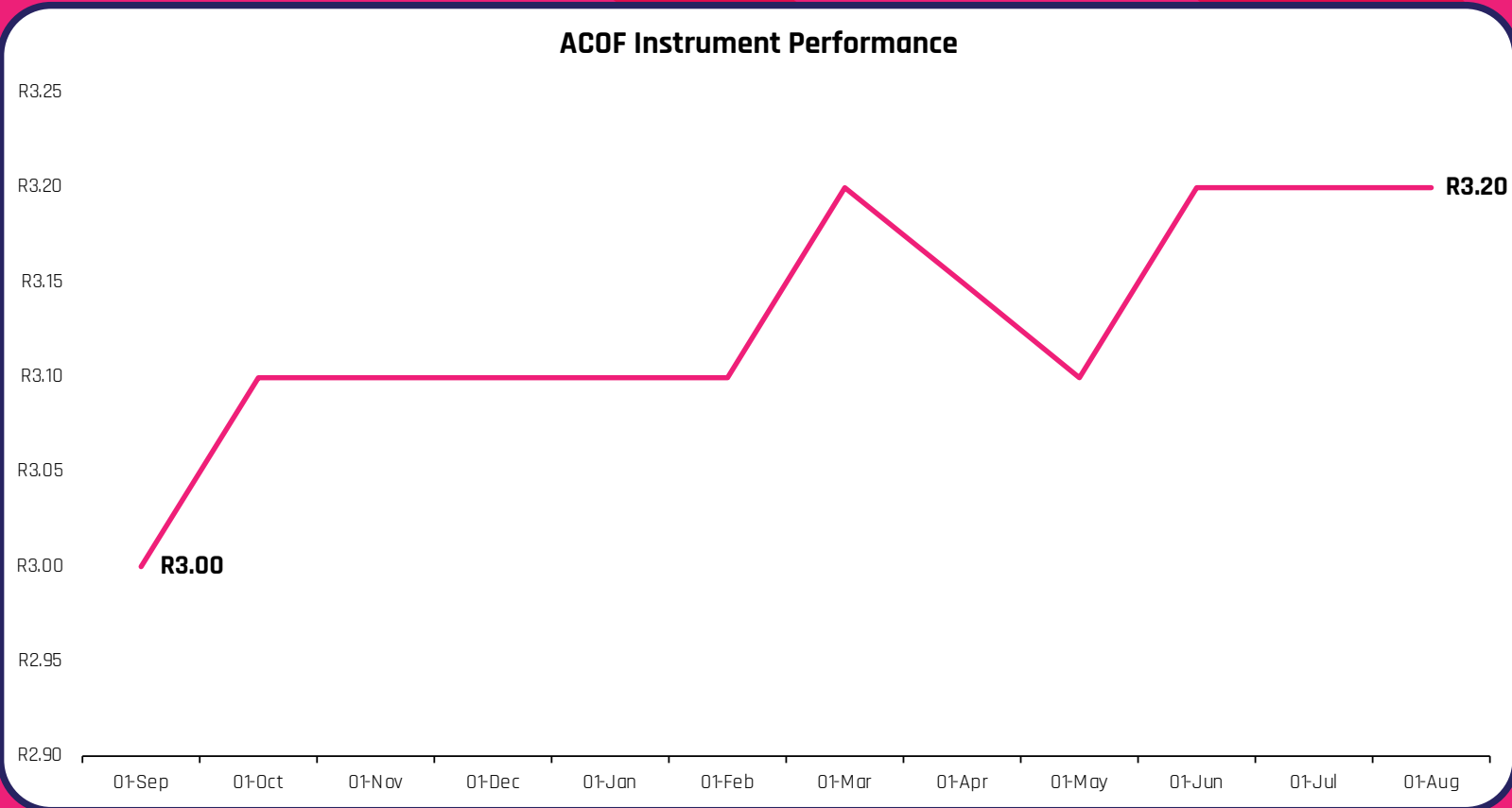
**345** Jobs saved

**189** Jobs created



## CAPITAL DEPLOYED VS VALUE OF SECURITY (R300M)

A key element of our lending process is obtaining security for each loan we deploy. This serves as a risk mitigant for us and reduces the cost of the loan for our clients



## SHARE PRICE GROWTH OVER TIME

Our share price has grown

**1%**

since listing.

# ACOF PRICING

how women empowerment credentials lower the cost of borrowing for SMEs

## WHY WE PRIORITIZE WOMEN-OWNED AND RUN SMEs

- Supporting women-run SMEs can positively impact the economy
- Prioritizing women-led SMEs promotes gender equality
- Prioritizing women-led SMEs addresses historical imbalances
- Prioritizing women-run SMEs adds diversity to the business landscape
- Women entrepreneurs demonstrate a commitment to sustainable practices
- Prioritizing women-run SMEs challenges prevailing biases and stereotypes

## IMPACT DRIVERS

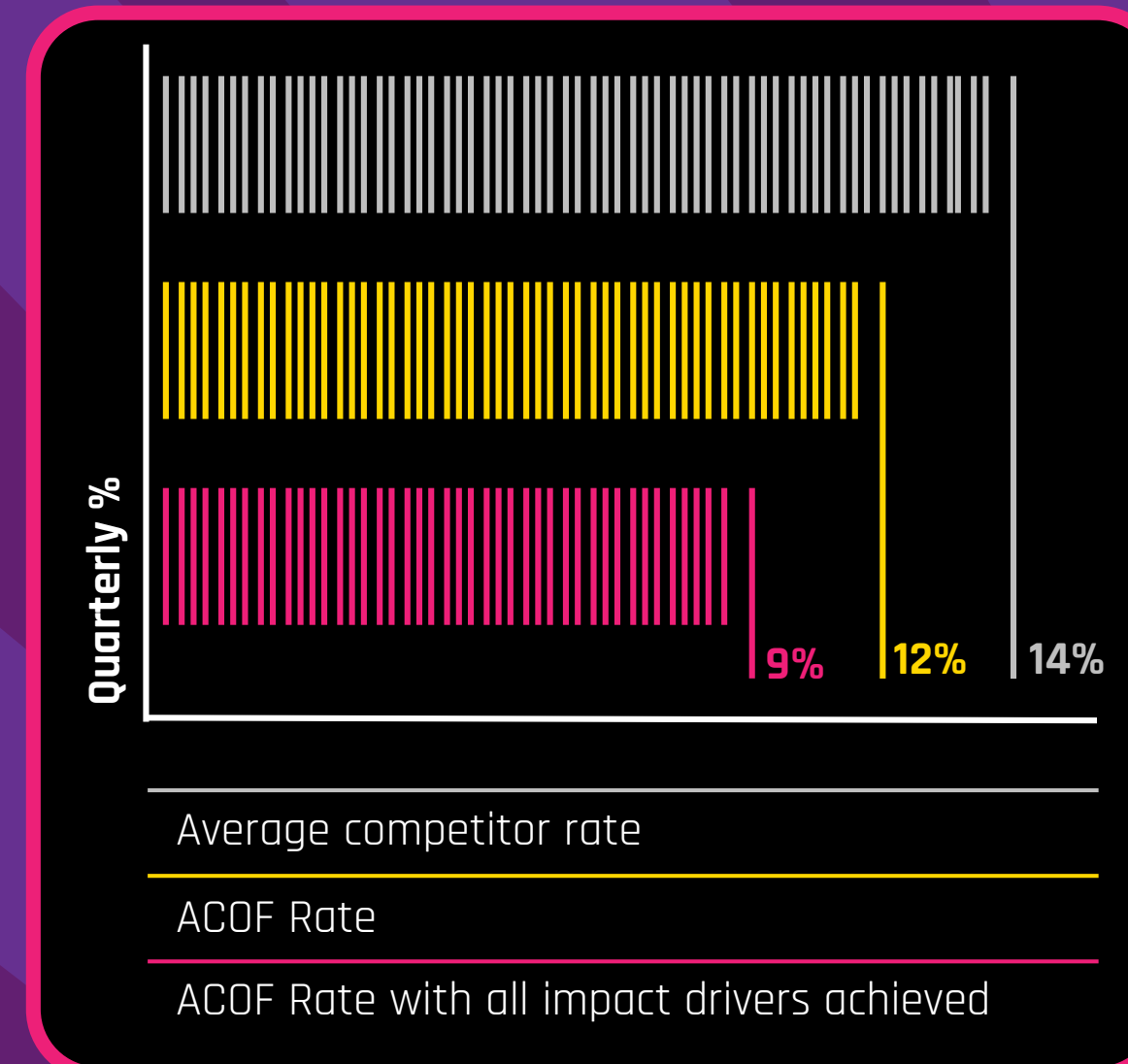
Each selection is equally weighted at a 5% discount to the borrowing rate:

- ✓ Woman CEO / CFO / CIO
- ✓ At least 1 woman director
- ✓ 50%+ women employees
- ✓ 50%+ women shareholders
- ✓ Woman founded

Achieving all the credentials  
would unlock a transformative  
**25%**  
discount on your borrowing rate!

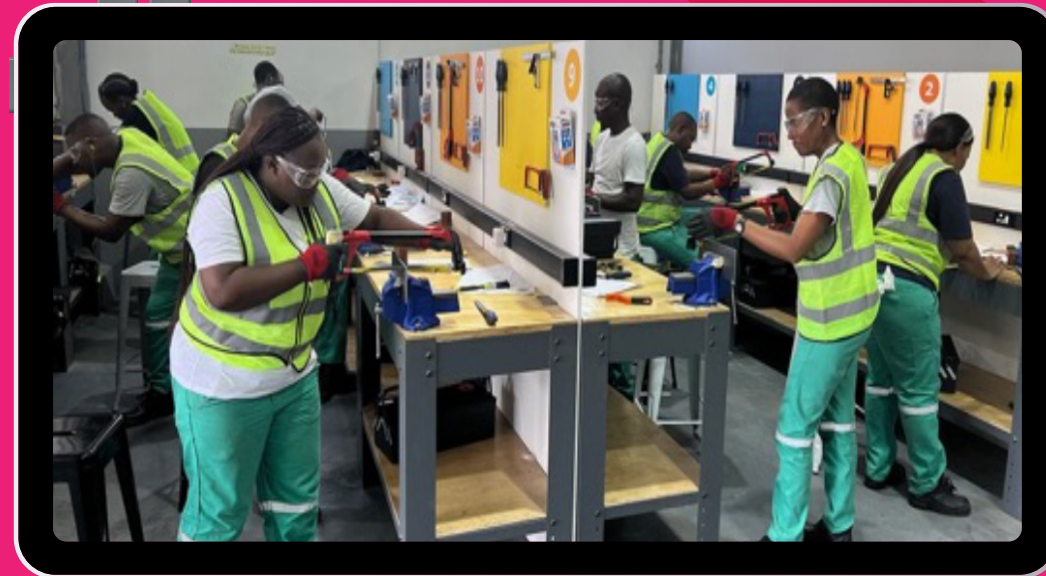
## ACOF STRUCTURED LOANS CAN BE 25 - 40% LOWER THAN COMPETITORS

- Information is based on an R300,000 invoice discounting scenario over a 3-month loan period



# Examples of our **IMPACT** on South African SMEs

## **SOLANA ENERGY**



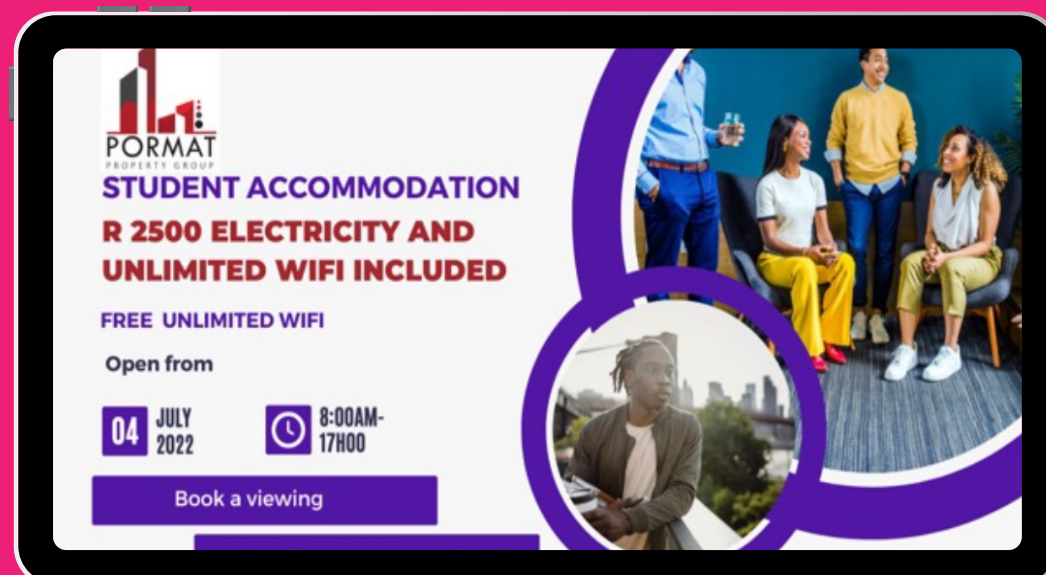
Solana Energy, supported by ACOF, navigated South Africa's energy crisis with a strategic capital injection. ACOF's funding sustained 71 jobs and created 20 new positions, enabling market expansion and solar solutions for underprivileged communities. With optimized working capital and enhanced operational efficiency, Solana ventured into community projects, contributing to social development and clean energy access. This partnership not only secured Solana's growth but also illuminated homes and empowered communities, driving a more sustainable future for South Africa.

## **ZWANE FINANCIAL SERVICES (ZFS)**



Zwane Financial Services (ZFS), supported by ACOF, is set to expand their lending operations in Johannesburg, Soweto, and KwaZulu Natal, potentially creating 20 new jobs on top of the existing 24. This expansion will enhance employment rates and support local SMMs through better access to financial education and microloans. The partnership also promotes inclusive financial practices, democratizing access to finance in underserved communities, and could lead to industry-wide shifts in the financial services sector, bolstering the sustainability of microlenders like ZFS.

## **PORMAT PROPERTY GROUP**



Pormat Property Group faced rising demand for student housing in Pretoria, which ACOF addressed through a strategic investment. ACOF's funding facilitated the construction of modern student accommodations, benefiting students with improved living conditions close to campus. This project not only boosted local businesses but also generated new job opportunities, revitalizing the neighborhood. The collaboration set a benchmark for sustainable, community-driven development, demonstrating ACOF's commitment to impactful, inclusive growth.

## **TANG HOSPITALITY GROUP**



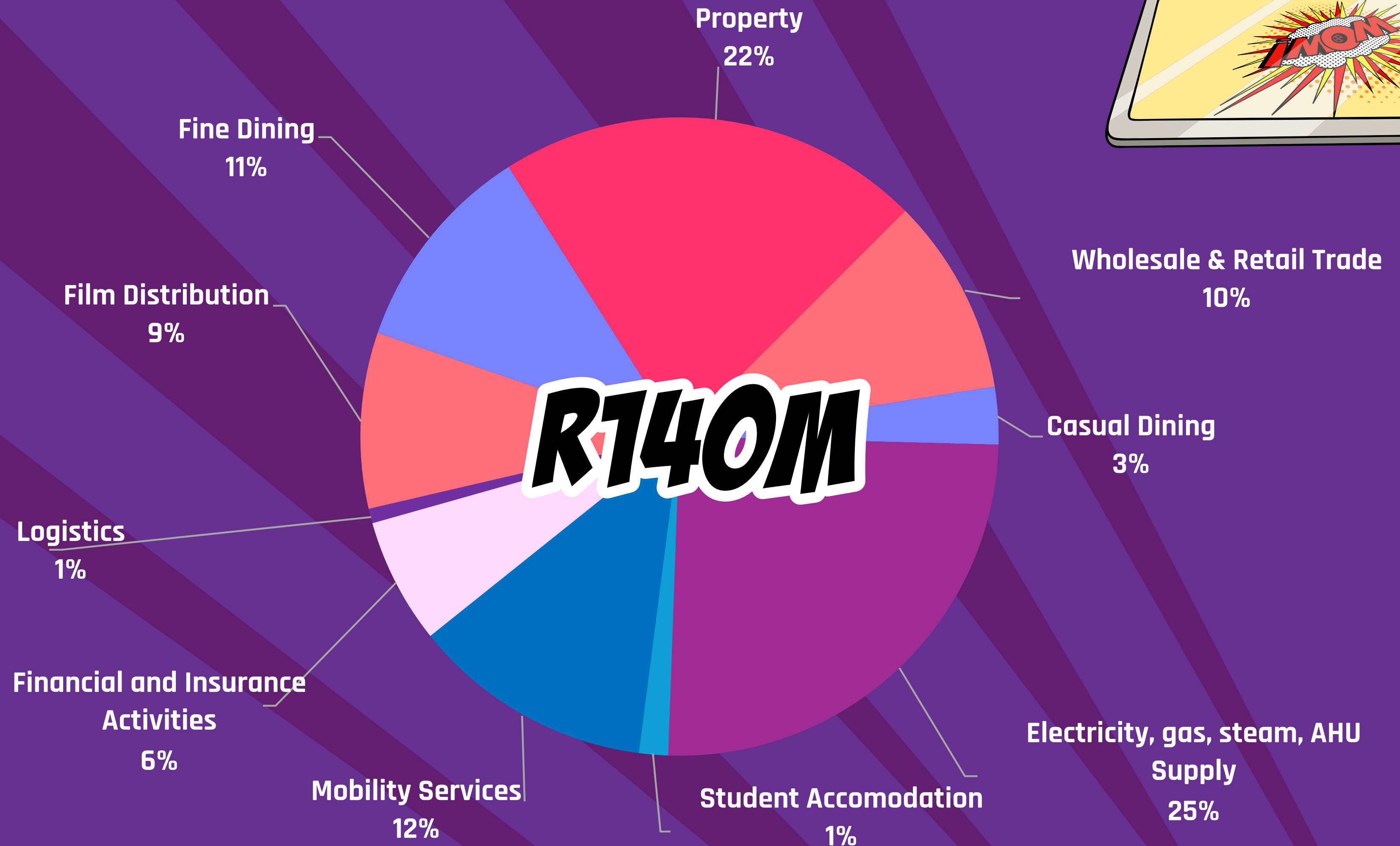
Tang Hospitality Group received a transformative loan from ACOF, helping restructure debt and fund a new restaurant in Dubai. This expansion not only sustained 250 jobs but also provided South African employees with international experience, enhancing their career development. The exposure to diverse business environments equips them with leadership and management skills, preparing them for future endeavors, including potential entrepreneurial ventures in South Africa, thereby fostering long-term professional growth.

# We offer loans to a variety of SMEs within various sectors



## Sector split

- Wholesale & Retail Trade
- Casual Dining
- Wholesale & Retail Trade
- Electricity, gas, steam, AHU Supply
- Student Accomodation
- Mobility Services
- Financial and Insurance Activities
- Logistics
- Film Distribution
- Fine Dining
- Financial and Insurance Activities
- Wholesale & Retail Trade
- Electricity, gas, steam, AHU Supply
- Property
- Wholesale & Retail Trade
- Film Distribution



We have developed a

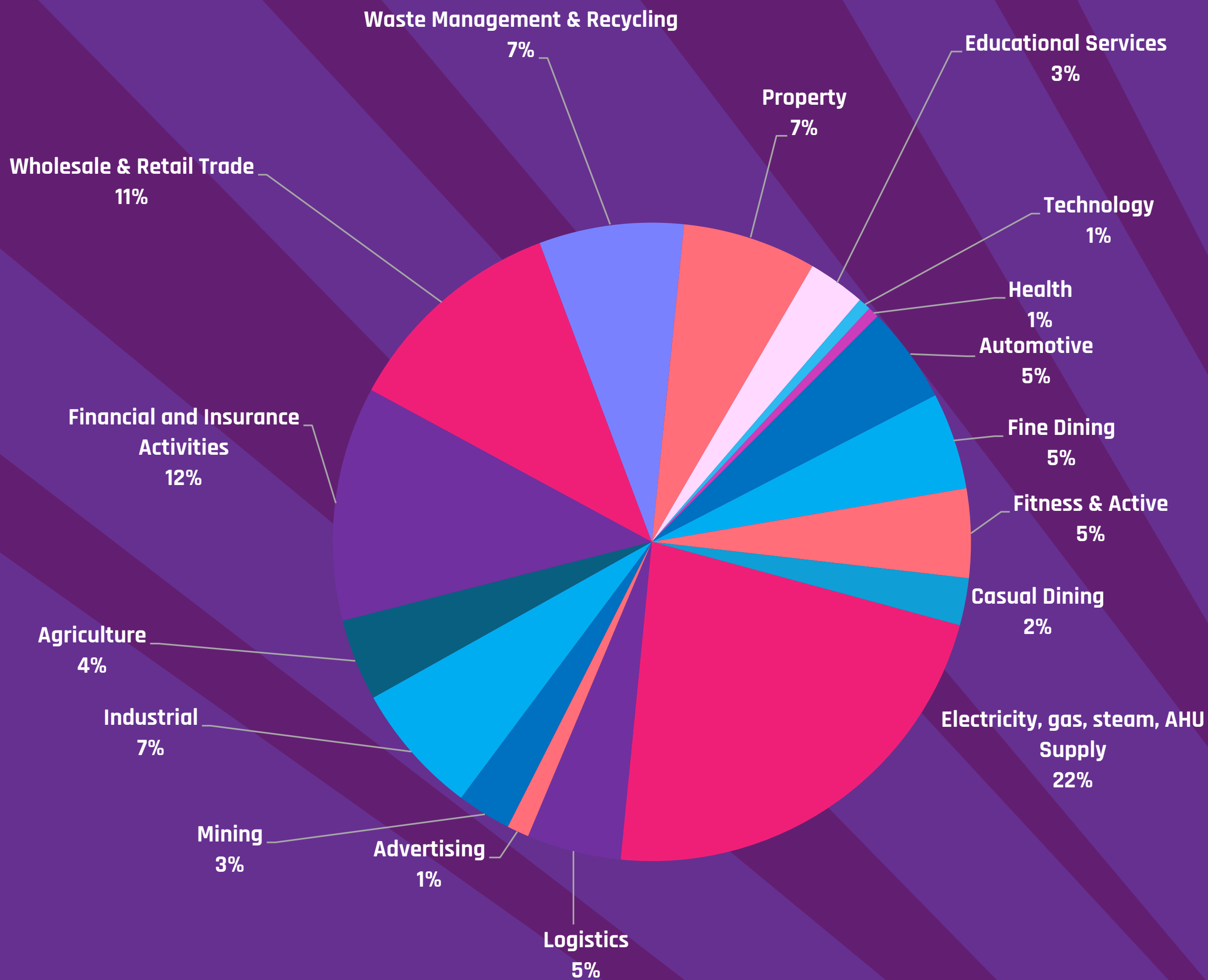
# R338 MILLION PIPELINE

of prospective loan clients

as at 31 August 2024

## Pipeline as at 31 August 2024

- Automotive
- Fine Dining
- Fitness & Active
- Casual Dining
- Electricity, gas, steam, AHU Supply
- Casual Dining
- Logistics
- Advertising
- Automotive
- Casual Dining
- Mining
- Industrial
- Agriculture
- Financial and Insurance Activities
- Mining
- Wholesale & Retail Trade
- Waste Management & Recycling
- Financial & Insurance Activities
- Property



This pipeline excludes a R120 million infrastructure project for which we have recently submitted a proposal



Our pipeline of opportunities will create 503 jobs and would save 495 jobs



5 of the companies are rated BEE level 1

# We have established several partnerships to enhance our reach and grow our pipeline of opportunities

## ACOF aims to broaden SME access to funding and mentorship



The JSE has partnered with the Western Cape government to support SMEs with funding solutions. ACOF participates in this programme as a capital provider.

The programme allows ACOF to:

- Provide economic opportunities to 500+ prospective SMEs.
- Assist in the development of emerging entrepreneurs with a drive for social impact.



The Xlerator programme is MTN's business Enterprise and Supplier Development initiative offering training, development and funding to South African SMEs.

ACOF participates in the programme by:

- Jointly conducting 3rd party deployment of loans, utilizing combined capital.
- Adding mechanisms and services to enhance woman empowerment within the MTN Xlerator programme.



The Gauteng Department of Economic Development (GDED) is committed to empowering women-owned businesses by creating platforms that connect them with key industry leaders, fostering growth and opportunities for success.



The NSBC is Africa's leading non-profit SME membership organization, dedicated to the growth and sustainability of SMEs.

Through its extensive base of over 160,000 SMEs, NSBC fosters SME growth via networking, learning, and access to unique success mechanisms, driven by comprehensive national SME surveys.



SAVCA represents over 200 members managing assets exceeding R213bn, dedicated to promoting the private equity and venture capital industry.

It enhances the sector through regulatory advocacy, insightful research, training, and networking.



BizNews is a pioneering internet publishing company dedicated to independent reporting and providing insightful commentary on local and global issues.

Offering advertising space in their newsletter and sponsored articles on their website, BizNews connects ACOF with a broad audience of South Africans.



# ACOF **INVESTMENT** summary



## Product Information: Altvest Credit Opportunities Fund

<b>Name:</b>	Altvest Credit Opportunities Fund
<b>Share Code:</b>	ALVC
<b>Sector:</b>	AltX
<b>Subsector:</b>	Diversified Financial Services
<b>Type of Instrument:</b>	Hybrid Financial Instrument
<b>JSE Issue Price:</b>	R3.20

## Market Statistics : Altvest Credit Opportunities Fund

<b>12 Month Low:</b>	R3.10
<b>Date of Low:</b>	19 Sep 2023
<b>12 month High:</b>	R3.20
<b>Date of High:</b>	09 Jul 2024
<b>Market Cap:</b>	R59 198 208
<b>Shares in Issue:</b>	18 499 440
<b>Shares Available:</b>	23 833 894

# We're available exclusively through

# EasyEquities

## SIGNING UP

Register / signup for EasyEquities at this link. If registering, ensure you have the following on hand:

- Copy of your ID
- Proof of residence

## HOW TO INVEST

Each of our opportunities will be available on: <https://campaign.easyequities.co.za/altvest>

**CLICK HERE**

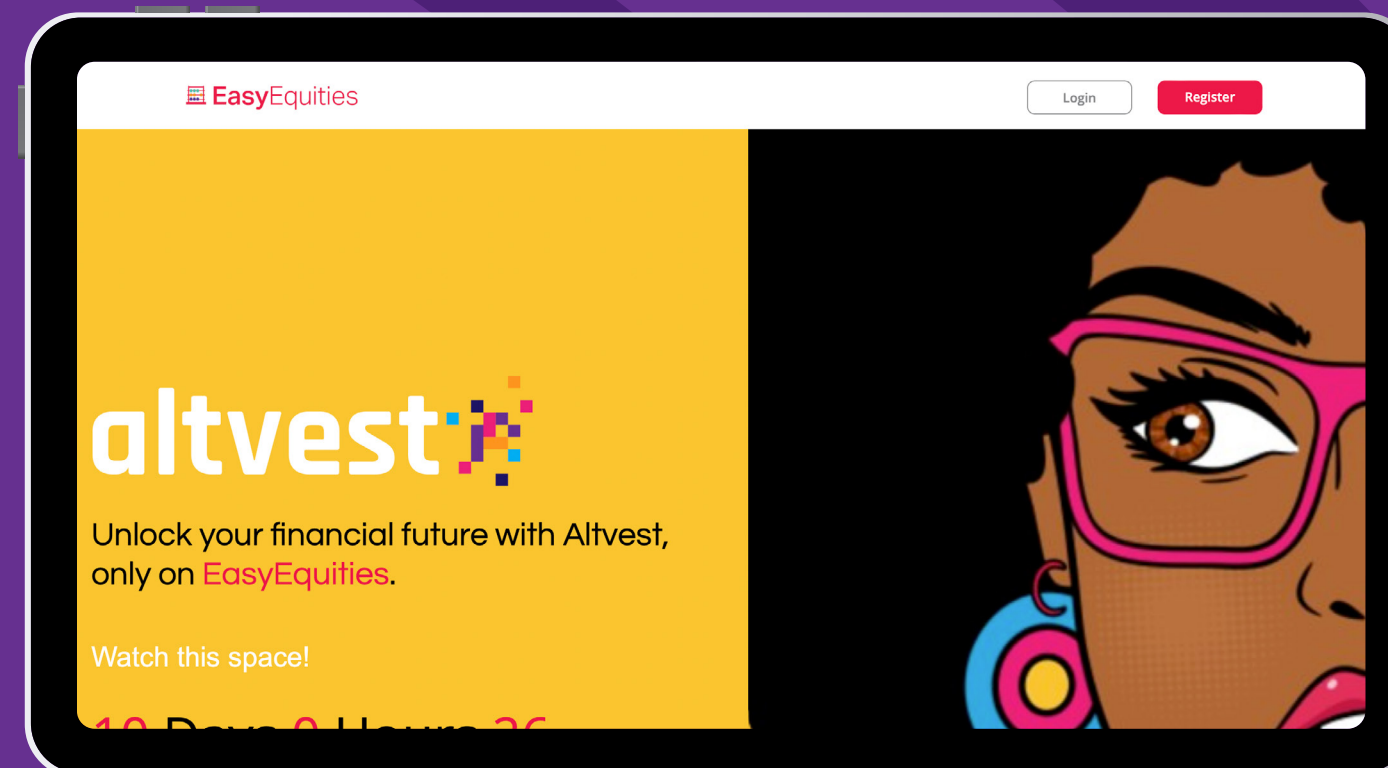
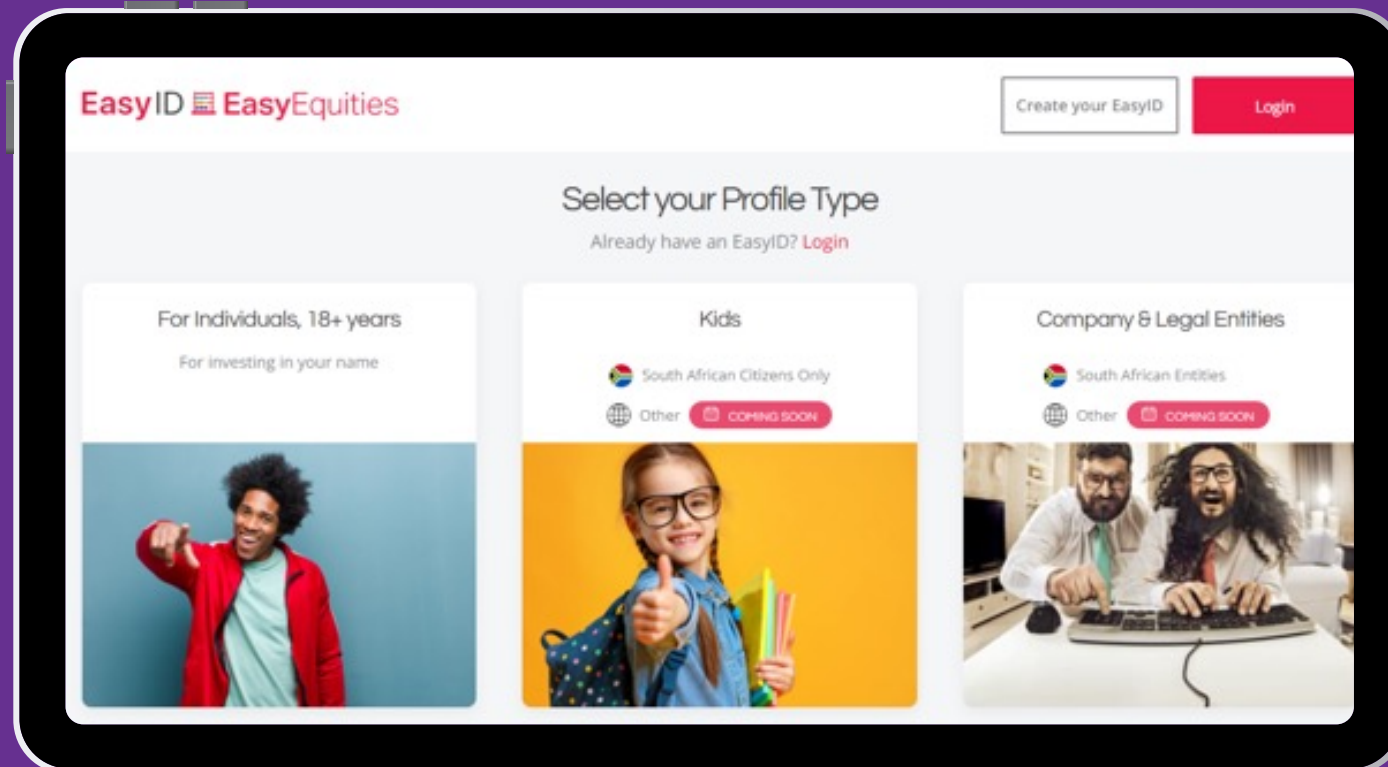
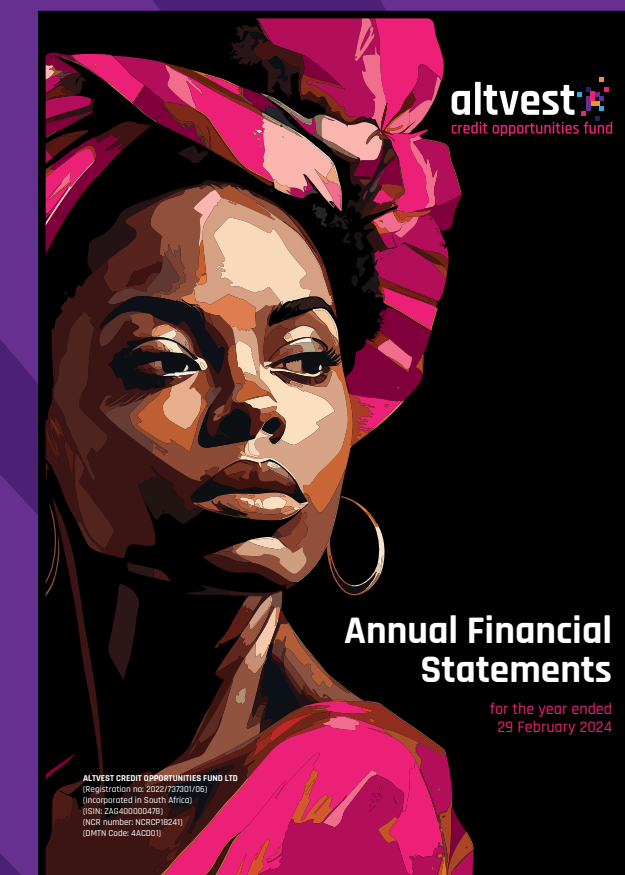
- ACOF - share code: ALVC; ISIN: ZAE000338448

You need to select the amount you wish to invest, the shares you want to buy, and our system will calculate the number of shares you can purchase

## KEY DOCUMENTS TO REVIEW

Annual report

Prospectus



EasyEquities is an authorised FSP (FSP22588) and a licensed ODP (ODP44)

# EasyEquities

# altvest

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# HOW TO REACH US

[info@acof.co.za](mailto:info@acof.co.za)