

Risk Indicators

A risk profile is an evaluation of an individual's willingness and ability to take risks. Risk in this sense refers to portfolio risk.

Conventional Classification

As per the FSCA Conventional risk classification, an Instrument investing in "Alternative Assets" is deemed to be of Higher risk.



Alternative Classification

Within the "Alternative Asset Class" spectrum; this investment can be classified as a "Low to Medium Risk" investment



Fund Information

Benchmark: Average 3-7 year to Maturity Bond Index - FTSE/JSE All Bond Index (ALBI)

Listing Date: 12 September 2022

Listing: Cape Town Stock Exchange

CTSE Stock Code No: 4NR001

ISIN Number: ZAG400000213

Applicable Pricing Supplement (Tranch No.1)

Series No.1 ZAR 4 mn

Series No.2 ZAR 3 mn

Total AUM of Fund Manager: R 1.6 bn

Note Issuer: nREACH CAPITIS SPV ONE (Pty) Ltd
2022/506181/07

Form of Notes: The Notes are Issued in registered uncertificated form held in the CSD

Minimum Subscription: R1,000,000

Investment Manager: nREACH CAPITIS LAYSAN (Pty) Ltd
2016/316020/07

Licencing and FAIS details: FSP 47502

Fund managers: Dr Johann Kritzinger;
Willem Oberholzer (CA)SA; Emcee Nell (CA)SA;
Danie Grobler (CA)SA; Marnus Coetzee (CA)SA;

Fixed Term Note: 5 years (maturity 12 September 2027)

Nature of Note: Senior Unsecured Fixed Rate Notes
Notes can be described as Collateralised Securitised Debt

Target ROI at Maturity: 75% over 5 years

Yield: 11.84% compounded annually

nReach Capitis website: <https://nreachspv.co.za/>

CTSE Web Link: <https://www.ctexchange.co.za/Debt/4NR001>

Disclaimer

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Investment Objective

The note's aim is to deliver returns in excess of the Average 3-7 year to Maturity Bond Index of FTSE/JSE All Bond Index (ALBI), after fees over a fixed 5-year term. The Notes will bear interest at the Fixed Interest Rate (nominal annual compounded annually) equal to 11.84% per annum for the period from and including the Interest Commencement Date. A strong emphasis is placed on the predictability of returns and the probabilities of outcomes as priced into the "Contract for Yield" (CFY™). A CFY™ can be defined as capital deployment through Collateralised, Securitised Debt instruments.

Investment Strategy

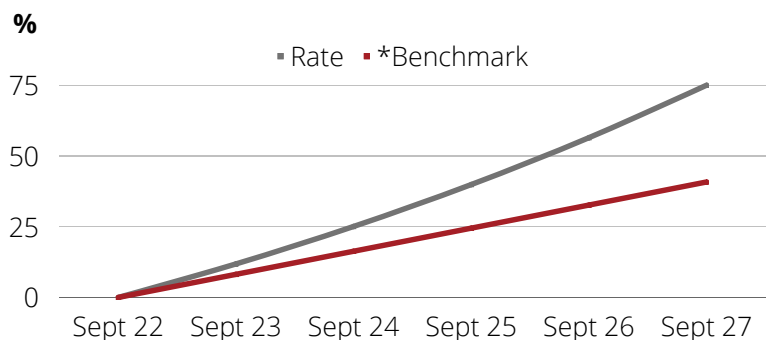
The Notes invest in mezzanine finance and redeemable preference shares, both with 5-year maturity cycles. These instruments will be invested in those instruments which are identified and approved by nReach Capitis Holdco (the Investment Manager). The premise of Note Assets is ownership of liquid, movable assets. Capital is only provided for growth purposes and not to purchase shareholding from existing shareholders. Cessions and pledges of shareholding are taken from owner-operators of the investee companies.

The portfolio will invest in various businesses, including some of the following sectors:



Cumulative Projected Yield at Note Maturity

Since - (12/09/2022 to 12/09/2027)



*Benchmark - Average 3-7 year to Maturity Bond Index of FTSE/JSE All Bond Index (ALBI) in ZAR. The ALBI 3-7 Year is a sub-index of the ALBI Index based on a term to maturity of 3-7 years. This sub-index allows for analysis of the Vanilla Bond Market by term and by liquidity. 30/06/2023

Cumulative Projected Yield at Note Maturity

	Fixed Rate Note	Benchmark*
1 Years	11.84%	8.16%
2 Years	25.08%	16.32%
3 Years	39.89%	24.48%
4 Years	56.45%	32.64%
5 Years	75%	40.80%