

ASHBURTON CREDIT CO-INVESTMENT FUND HIGH QUALITY

Fund fact sheet as at 31 July 2022



Investor profile

The fund is suited to investors who are:

- Looking for returns in excess of cash and money market funds over a long-term horizon (c. 36 months), while at the same time require a degree of capital stability, with limited requirements for daily liquidity.
- Seeking managed exposure to income generating investments with limited duration risk.
- Wanting to take advantage of loans originated by one of the leading investment banks in the country (RMB) across a broader range of issuers than available in the listed bond market.

Investment objectives

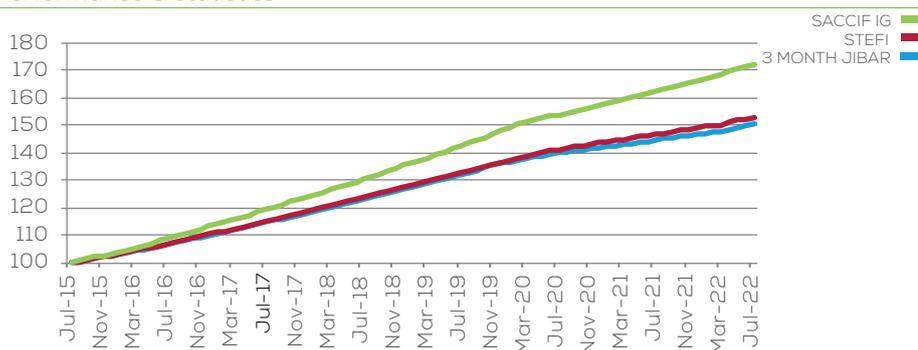
The objective of the Ashburton Investment Grade Credit Co-Investment Fund is to achieve stable returns over 3-month JIBAR in excess of 160 basis points, gross of all fees and expenses. The fund aims to achieve its return target by investing in a diversified portfolio of debt instruments, predominantly in the form of bank loans to South African corporates which pay a floating rate linked to JIBAR plus a margin thus limiting volatility with respect to changes in interest rates. The debt instruments included in the fund are subject to an investment grade national scale rating determined by the Investment Manager.

Investment strategy

The loans included in the fund will be obtained through a co-investment arrangement with Rand Merchant Bank, a division of FirstRand Bank Limited ("RMB"). This co-investment arrangement provides the Fund with the right but not the obligation, to invest in all assets originated by RMB which satisfy pre-existing criteria. The co-investment arrangement allows for the fund to invest alongside RMB on substantially similar economic terms with regards to the Interest Rate received and any underlying security. Additionally, the co-investment arrangement provides the fund with the right, but not the obligation, to co-sell with RMB on a proportional basis and on the same economic terms should RMB decide to sell any of the co-invested assets for credit-related or portfolio management reasons.

Finally, the co-investment arrangement requires RMB to remain invested in any loan acquired by the fund up to at least the exposure of the fund over the entire tenor of the loan.

Performance & statistics



Source: Ashburton Investments, Maitland Fund Services & Bloomberg

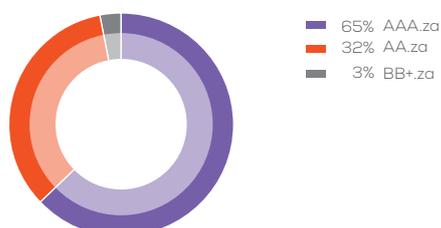
Period returns - to July 2022

Fund (Gross)**

1 month	0.26%
3 month	1.30%
6 month	2.89%
1 year	5.90%
3 years annualized	6.41%
5 years annualized	7.57%
Since inception – Aug 2015 – annualized	8.04%
Jibar + 160 bps since inception annualized	7.64%

Past performance is not necessarily an indication of future performance.

Rating distribution (%)



Source: Ashburton Investments

Key facts

Risk profile



General information

Fund classification	South African interest bearing - short term
Instrument structure	Note issued by SPV
Launch date	1 August 2015
Benchmark	3 months JIBAR + 160bps
Target fund size*	R6 billion
Current fund size**	R4.273 billion
Weighted average rating	AA+.za
Weighted average maturity	2.27 years
Number of issuers	32
Capacity***	R1.953 billion
* Increased from an initial R2bn	
**Current fund value and Return performance includes assets which have been transferred to Recovery Notes. Please note that new investors will not have exposure to assets transferred to Recovery Notes.	
***Target size - notes in issue (at cost) + GTSY held notes - CLN	
Income distribution	Monthly distributions
Denomination	ZAR
Minimum investment	R5 million
Liquidity	Monthly, RMB Market Making
Pricing	Daily
Domicile	South Africa
ISIN	ZAG000135831
Fund managers	Santhuri Thaver Tshepo Shabalala

Fee structure (%) A Class

Annual management fee	30bps
Total expense ratio	41bps
Transaction costs	-

Contact us

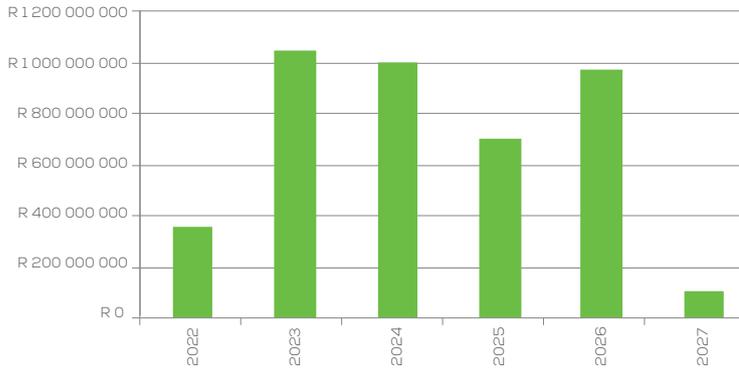
Client service: +27 (0) 11 282 1406
Email: gordon.wessels@ashburton.co.za
Website: www.ashburtoninvestments.com

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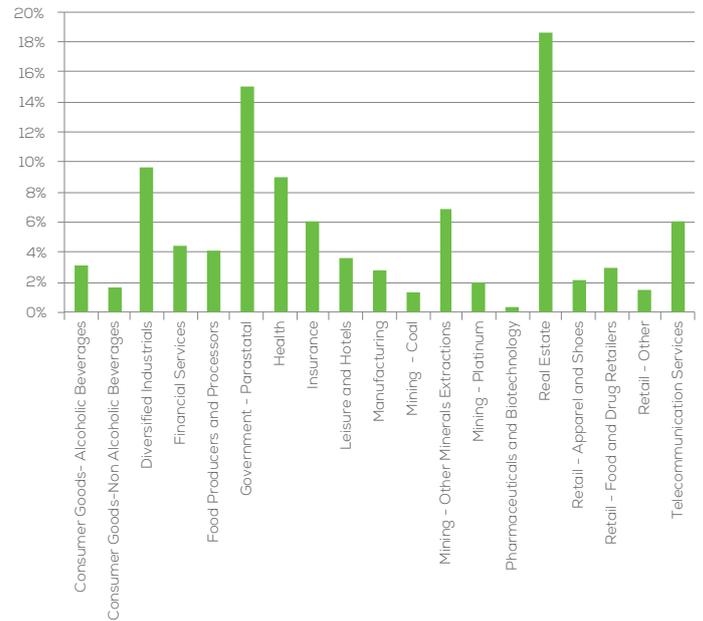


Cash flow profile



Source: Ashburton Investments

Industry diversification



Source: Ashburton Investments

Top 5 holdings

Medi-Clinic	One of South Africa's largest private healthcare groups. Secured loan with a AAA.za rating.
MTN	One of the largest emerging market network operators. Unsecured loan with AAA.za rating.
Discovery	Innovative insurance group with geographic and industry diversification. Unsecured loan with a AAA.za rating.
Tronox	Tronox SA is a heavy minerals business with operations located in KZN near Richards Bay and in the Western Cape near Saldanha Bay. Senior unsecured loan with a AA.za rating.
Redefine Properties	Leading listed REIT with South African and international assets. Secured loan with AAA.za rating.

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