

ASHBURTON CREDIT CO-INVESTMENT FUND HIGH QUALITY

Fund fact sheet as at 30 November 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

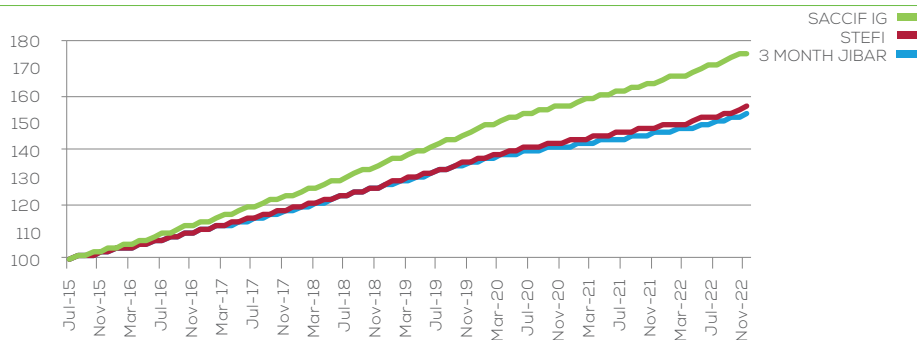
The objective of the Ashburton Investment Grade Credit Co-Investment Fund is to achieve stable returns over 3-month JIBAR in excess of 160 basis points, gross of all fees and expenses. The fund aims to achieve its return target by investing in a diversified portfolio of debt instruments, predominantly 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

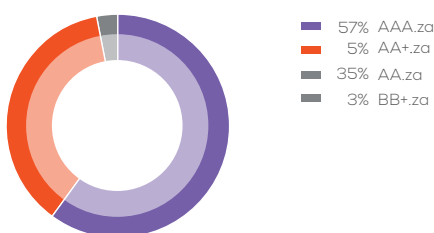
Period returns - to Nov 2022

Fund (Gross)**

1 month	0.64%
3 month	2.03%
6 month	3.45%
1 year	6.66%
3 years annualized	6.40%
5 years annualized	7.51%
Since inception – Aug 2015 – annualized	8.05%
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**	R4.612 billion
Weighted average rating	AA+.za
Weighted average maturity	2.27 years
Number of issuers**	35
Capacity***	R1.796 billion
* Increased from an initial R2bn	
**Current fund value, Number of issuers 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:

Institutional Clients:
nalen@govender@ashburton.co.za

Corporate & Commercial Clients:
rudigor.kleyn@ashburton.co.za

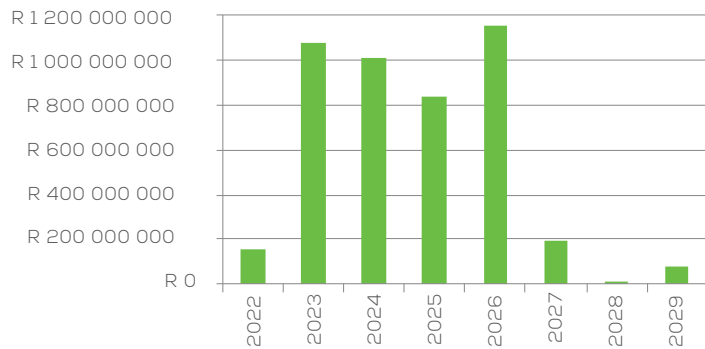
Website: www.ashburtoninvestments.com

ASHBURTON CREDIT CO-INVESTMENT FUND HIGH QUALITY

Fund fact sheet as at 30 November 2022

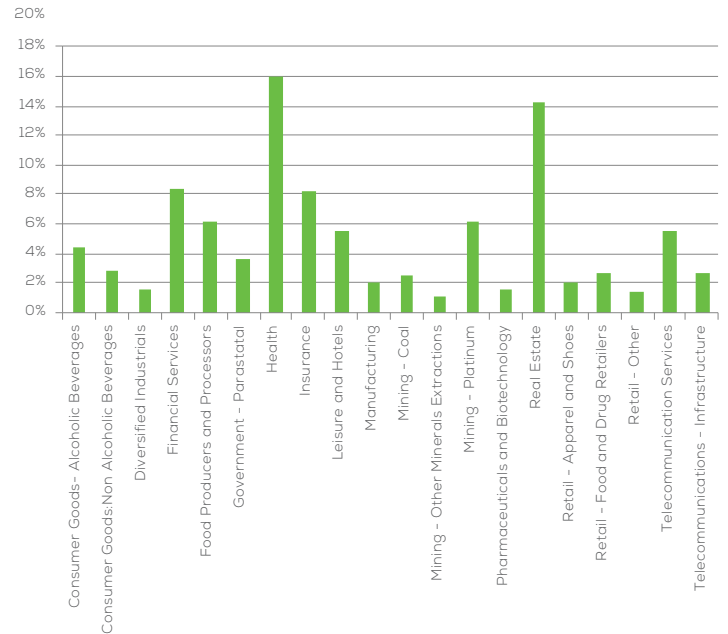


Cash flow profile



Source: Ashburton Investments

Industry diversification



Source: Ashburton Investments

Top 5 holdings

Development Bank of South Africa

A leading African Development Finance Institution wholly owned by the South African Government and whose mandate is to promote economic growth and regional integration for both sustainable development projects and programmes in South Africa, SADC and SSA. Senior unsecured loan with AA.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.

Mediclinic

One of South Africa's largest private healthcare groups. Senior secured loan with a AAA.za rating.

Discovery

Innovative insurance group with geographic and industry diversification. Senior unsecured loan with a AAA.za rating.

MTN

One of the largest emerging market network operators. Senior unsecured loan with AAA.za rating.

Disclaimer

The information contained in this document is prepared by Ashburton Fund Managers (Proprietary) Limited ("Ashburton"). Ashburton is a licensed Financial Services Provider ("FSP") in terms of the Financial Advisory and Intermediary Services Act, 37 of 2002 ("FAIS Act"), with FSP number 40169, regulated by the Financial Sector Conduct Authority.

This document is issued for information purposes only and it must not be regarded as a prospectus to transact in any security or financial product. Ashburton does not in any way, tacitly or by implication, represent, recommend or propose that the securities and/or financial or investment products or services ("the products") referred to in this document are appropriate and/or suitable for a particular investment objective or financial situation or needs. This information is not advice in respect of any other financial, investment, trading, tax, legal, accounting, retirement, actuarial or other professional advice or service whatsoever ("advice as defined in terms of the FAIS Act"). Any investment is speculative and involves significant risks and therefore, prior to investing, investors should fully understand financial products and any risks associated with them.

Any product or service available from Ashburton shall always be subject to Ashburton's internal approval process, contractual terms and conditions and applicable legislation. If there is any pricing indicated on the document, such is indicative and is not binding on Ashburton.

Ashburton and its affiliates disclaims and assumes no liability for any loss or damage (direct, indirect or consequential) that may be suffered from using or relying on the information contained herein.