



Private Debt

Key benefits

- Access to attractive investment opportunities not readily available in the market.
- Downside protection resulting from the seniority of loans, security backing the transactions and robust covenants.
- Our fund is managed by a specialist team with a strong track record, a deep understanding of this asset class and an extensive deal origination network.

Objective

We aim to deliver positive returns for investors in ordinary market conditions, with investment opportunities arising in all phases of the credit cycle.

Investment strategy

We focus on providing necessary funding to reputable, established companies that require capital to continue to grow, but which are not able to access finance from traditional sources, due to the constraints of the lender.

Our investment strategy has a broad mandate, allowing us to capitalise on ever-changing credit markets and industry dynamics. We aim to identify opportunities to fund companies and entrepreneurs who operate in growing or mature markets.

Investment approach

We place significant emphasis on actively managing the process – from extensive desktop due diligence and on-site evaluations – to stringent ongoing monitoring of the key elements of the transaction that impact the borrower's ability to repay the loan.

We will continue to grow the fund slowly, making sure we adequately assess, measure and monitor risks. We are cognisant of the economic environment we operate in and will continue to act with caution.

Fund Information

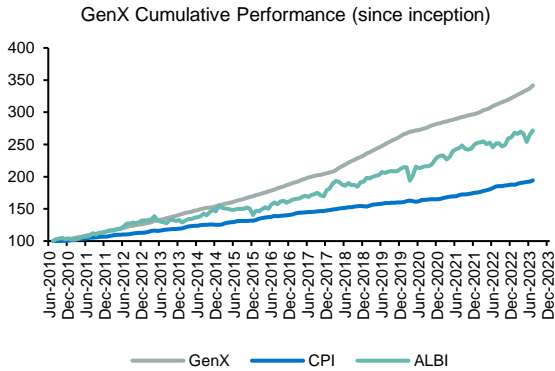
Manager	Sanlam Investment Management
Portfolio Managers	Vukile Themba-Mketo Erica Nell
Asset Class	Private Debt
Fund Structure	<i>En commandite</i> partnership
Domicile	South Africa
Base Currency	ZAR
Performance Target	JIBAR plus 5% p.a.
Hurdle	JIBAR plus 3% p.a.
Benchmark	STEFI
Launch Date	July 2010
Minimum Investment	ZAR 20 Million
Fees	0.75% annual management fee 20% performance fee (above hurdle)
Distribution	Semi-annually
Termination Period	6-month notice period for redemption on best efforts basis
Applicable Regulations	Regulation 28 of the Pensions Fund Act: The underlying assets are deemed to be unlisted debt instruments of which a pension fund may have up to 15% exposure.

The case for private debt

- Direct lending funds aim to deliver positive returns for investors in ordinary market conditions.
- The positive correlation with interest rates helps mitigate the effect of rising rates, providing an implicit protection against inflation.
- Private debt offers a stable cash yield, contributing meaningfully to an investor's overall liquidity pool.
- The low correlation with listed fixed income and equity markets implies positive diversification benefits for the broader portfolio.

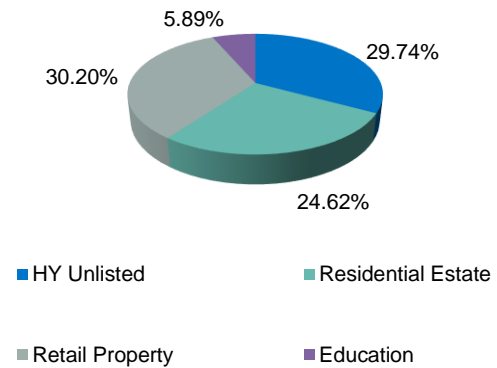


Cumulative performance



Sector allocation

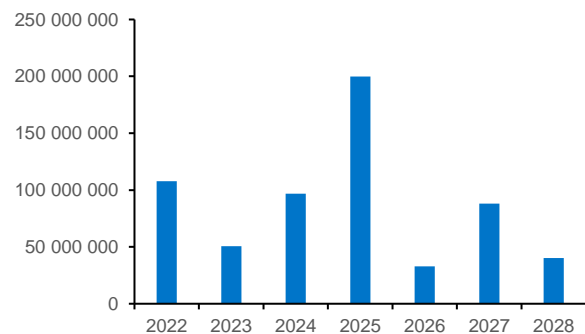
31 December 2023



	Fund	Jibar + 3%	Stefi
1 Year	10.7%	11.4%	8.1%
3 Years (p.a.)	8.1%	8.8%	5.7%
5 Years (p.a.)	8.9%	8.8%	5.9%
Since Inception (p.a.)	9.9%	9.2%	6.2%

Maturity profile

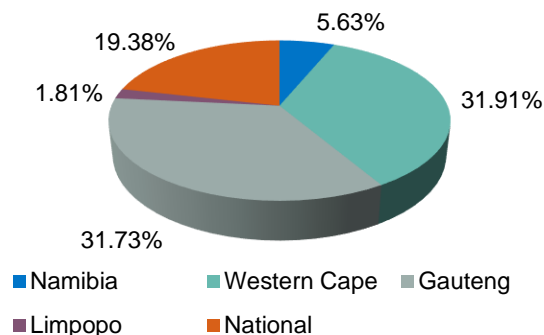
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	Since Inception (p.a.)
Standard Deviation	0.8%
Benchmark Volatility	0.4%
Number of Negative Months	0

Geographical exposure

31 December 2023



Fund manager information

Our fund is managed by a specialist team with a strong track record and a deep understanding of this asset class. The team is supported by a Credit Committee, which includes independent (non-executive) members with extensive relevant experience, and the ability to leverage



Vukile Themba-Mketo
Portfolio Manager



Erica Nell
Portfolio Manager

Vukile Themba
Tel: +27 (21) 950 4607
vukilet@sanlaminvestments.com

Erica Nell
Tel: +27 (21) 950 2669
erican@sanlaminvestments.com

Sanlam Privacy Statement:
<https://www.sanlaminvestments.com/Documents/sig-privacy-statement.pdf>

Sanlam's central function of highly experienced credit professionals. **Investments**

FAIS disclaimer: Sanlam Investments disclaimer

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