

Fund Fact Sheet

Mergence Infrastructure & Development | Debt

30 June 2024 - Issued: 10 July 2024



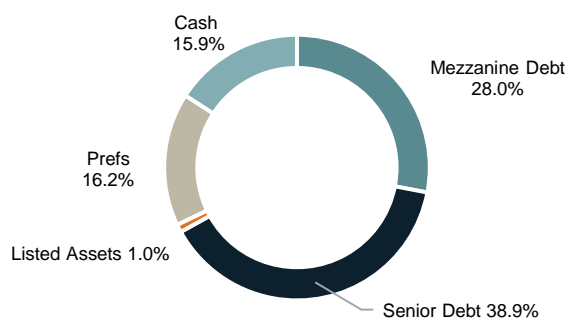
OVERVIEW

	Low	Moderate	High
Risk Profile			
Fund Purpose	Consistent income generation through socially responsible investing and development in infrastructure assets.		
Fund Term Life	Open		
Inception date	16 June 2010		
Fund Size	R 448.71 million		
Investment Vehicle	Segregated / Pooled (27Four Life)		
Benchmark Return	CPI +4% (over rolling 3-year periods)		
Target Areas	Social, economic and other infrastructure		
Geographic Focus	South Africa		
Asset Class	Unlisted infrastructure debt and mezzanine		
Target Portfolio	70% debt, 30% mezzanine		
Target Sector	70% infrastructure, 30% developmental		
Withdrawal Period	No investment should be made in the Fund if the intention is to withdraw funds within 3 years		
Liquidity	Up to 36 months to liquidate assets		
Fees	Subject to mandate (usually between 0.75% and 0.85% per annum, excl VAT)		
Minimum Investment	R 100 million / none for pooled		

FUND COMPOSITION

Mergence Investment Managers has established the Mergence Infrastructure & Development | Debt Fund within its suite of Impact Funds. The Fund invests in unlisted senior and mezzanine debt, focusing on a diversified portfolio of infrastructure and developmental assets. Its objectives are to support economic growth and infrastructure development while providing sound returns. Key assets include renewable energy plants, social housing, student accommodation, schools, energy-efficient programs, and hospitals.

SECTOR EXPOSURE



INVESTOR PROFILE

The Fund is suitable for institutional investors:

- who seek exposure through supporting high impact developmental investing in terms of social, environmental and governance criteria;
- who are comfortable with the inherent volatility of the financial markets, and who acknowledge that the effects of impact investing occur over medium to long term time horizons;
- who seek steady income generation whilst promoting impact and socially responsible investing.

INVESTMENT OBJECTIVE

The Mergence Infrastructure & Development | Debt Fund has a long-term performance target of inflation +4% per annum over the medium to long term by investing in opportunities that create both a positive and measurable social developmental and/or environmental impact.

IMPACT OBJECTIVE

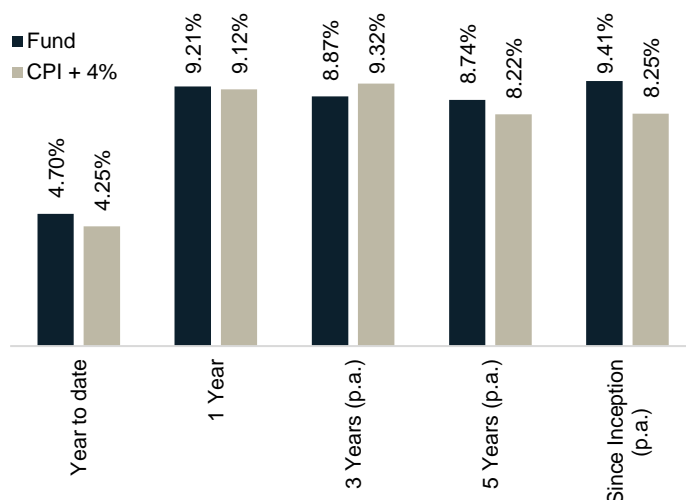
The Fund utilises a detailed process to evaluate and verify the social and environmental impact of each investment. Approved investments will be expected to achieve the Fund's financial return objectives, whilst also satisfying social impact, environmental and governance criteria.

PERFORMANCE**

Performance summaries for the periods ending 30 Jun 2024:

Period	Fund	CPI + 4%
Year to date	4.70%	4.25%
1 Year	9.21%	9.12%
3 Years (p.a.)	8.87%	9.32%
5 Years (p.a.)	8.74%	8.22%
Since Inception (p.a.)	9.41%	8.25%

** Returns are quoted gross of fees.



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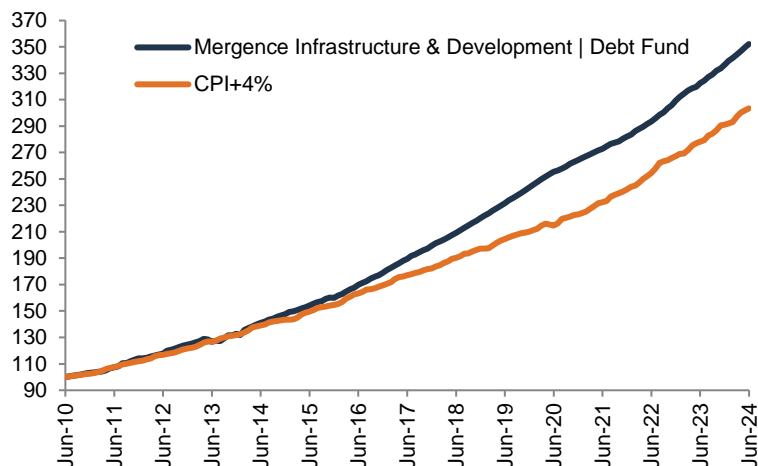
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INFRASTRUCTURE PROJECTS



LONG TERM TRACK RECORD

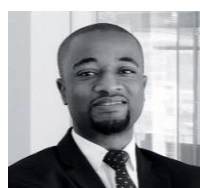


PORTFOLIO MANAGEMENT TEAM



Kasief Isaacs
BCom Hons, CA (SA)
Head: Private Markets

Kasief joined Mergence in 2015. He has over 17 years of experience in the financial services industry. As Senior Investment Principal he has a specific focus on energy, infrastructure, and impact within SA and SADC. He leads the Private Markets investment team which has built up a stellar performance record over the past decade. Kasief has prior extensive international and local experience in SA's renewable energy market. He is an experienced conference speaker and media commentator.



Chitongwa Siame
BSc Hons, ACCA, MCom (Fin.I Management)
Investment Principal

Chito joined Mergence in 2011 as Equity Analyst in the Public Markets investment team focused on FMCG, hospitality, financial services, and telecommunications before transitioning to the Private Markets investment team in 2015. As Investment Principal, Chito focuses on Private Market investment opportunities within SADC. He has led transactions in the aquaculture and microfinancing sectors and serves on the boards of several investee companies.

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