

Barak

Definition: Prosperity, Lightning, Cast forth, Blessed. Pronunciation: /baw-rak/

Asha Impact Finance Fund African Long-Term Impact Alternative Credit



Investment Objective

Long term (5-7 year) collateralised investments in high-yield alternative credit, providing investors with semi-annual coupons targeting 12-19% per annum. Barak Fund Management will capitalise on existing and new business opportunities in African SMEs to enhance returns, as well as social developmental impact.

Risk Profile

Medium

The manager employs an active portfolio construction strategy to maintain a diversified country and sector exposure, with a focus on impact measurement within the selected sectors. Alternative credit has low correlation to traditional asset classes. With discretion, the manager's strategy which preserves capital, targets returns commensurate with the investor risk profile whilst maintaining liquidity.

Barak Asha Impact Finance Fund

Unlocking Africa's Potential



INTRODUCTION

Barak Fund Management was founded in 2008 and has built up a portfolio of USD 330 million assets under management. The fund currently performs the role of fund manager to the flagship and award-winning Barak Structured Trade Finance Fund, the Barak Impact Finance Fund and the Barak Shanta Derivative Fund. There are three new funds launching in Q1 2016; the Barak Asha Fund, Barak Mikopo Fund, and Barak Sarafu Fund.

ASHA FUND

Barak Asha Fund is an unlisted African alternative credit fund providing qualified investors access to high yield debt investments with a minimum lock-in of 5 to 7 years. The fund will invest in sectors biased towards agricultural and agro-processing industries, focusing on impact. The target returns are 12-19% per annum. The Barak Asha Fund is the confluence of skilled Asset Management and Impact Investing.

FUND ADVANTAGES AT A GLANCE

Social Impact Fund – Global Impact Investing Network (GIIN)

Funds are utilised for investments, enabling the sustainable upliftment of the broader community through the provision of employment, skills development & training as well as improved access to healthcare, energy, communication and the overall standard of living across a broad base. By adhering to the highest standards of responsible investing, Barak seeks to optimise its ability to alter the landscape, and in doing so, will measure the developmental impact according to the most relevant and highest standards so as not to compromise investment or impact ethos. Ongoing monitoring of identified factors will be mandatory as a means to ensure the process is both evolutionary and revolutionary.

Africa presence and Complimentary deal flow opportunities

The Fund will leverage Barak's relationships with business leaders and government entities in Africa. The Fund benefits from Barak's origination capabilities with the team collectively having more than 75 years of experience in the African space. Inaccessible relationships are paramount to Barak's success; the team has developed strong personal and professional connections that have proven to be an invaluable source of investment opportunities.

Unique Multidisciplinary Professionals

The team are seasoned entrepreneurs and investors who bring many years of experience on the African continent creating sustainable businesses to thrive in the African landscape through private investments, corporate & structured finance.

AgriCane - In-house Agri professional services

AgriCane are a leading Agricultural Engineering and Development company, whose aim is to provide a comprehensive, quality service that will create environmentally sustainable agricultural developments and production in Africa. With over 17 years' experience and a presence in 17 countries evaluating and executing on the ground projects across the continent, the association will provide extensive on-the-ground support, ensuring each process of the project is monitored and managed on a micro an macro level, whilst assisting in capturing social impact data for reporting purposes.

INVESTMENT UNIVERSE

Small and medium sized sub-Saharan African businesses projecting strong underlying growth and cash flow generation with secure returns.

TYPE

Equity investments will be used to fund long term debt instruments secured by tangible operating assets and cash flows, with an option to convert to equity to participate in higher returns. Mandatory redemption will ensue following the lock-in; reinvestment may be opted for, for the same investment tenor.

KEY FACTS

Fund Size	Initial capital raise of USD 50 million with a target of USD 250 million.
Fund Category	African Alternative Credit
Target Equity Returns	12% - 19% p.a
Hurdle Rates	6%
Minimum Investments	USD 5 million
Redemptions	Payable 30 days after lock-in if reinvestment is not selected.
Management Fee	2% p.a. (payable monthly)
Performance Fee	20% p.a. (payable quarterly)
Underlying Assets	Moveable and immovable fixed assets, working capital and development finance, secured.
Duration	The targeted investment time horizon is 7-10 years.
Auditor	PricewaterhouseCoopers
Legal Counsel	Werksmans Attorneys
Independent Compliance Officer	Geoffrey Carter Attorneys
Independent Administrator	Maitland or Independent Data Services
Custodian	Standard Bank of South Africa

INVESTOR VIDEO



POTENTIAL INVESTMENTS					SOCIAL IMPACT				
Country	Category of Business	Funds Required	Tenor (Years)	IRR	Job Creation	New Product Access	Access to New Markets	Food Security	Skills Training
Mauritius	Fish Farming	\$5, 000, 000	3	17%	x	x		x	x
Malawi	Sugar Farming	\$7, 500, 000	6	15%	x	x	x	x	x
SA	Pecan Nuts	\$3, 000, 000	3	20%	x	x			x
Mozambique	Tomato Paste Plant	\$11, 000, 000	5	18%	x	x	x	x	x
Mozambique	Ethanol & Co-gen power	\$2, 800, 000	4	25%	x	x	x		x
SA / Mozambique	Transmission poles	\$14, 000, 000	2	18%	x	x	x		x
Namibia	Table Grape Farming	\$20, 000, 000	7	20%	x	x	x	x	x
TOTAL		\$63, 300, 000							

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Asha Impact Finance Fund

Unlocking Africa's Potential



Development is about transforming the lives of people, not just transforming economies.

Joseph E. Stiglitz

The Fund Managers

PRIEUR DU PLESSIS

Joint Chief Investment Officer

RMB | *Commodities Trading Desk and Structured Commodity Finance*
Standard Bank | Head of Soft Commodities team
Absa | Head of Structured Trade and Commodity Finance
PricewaterhouseCoopers | CA Articles (SAICA)



JEAN CRAVEN

Joint Chief Investment Officer

Standard Bank | Team Leader | *Structured Commodity Finance, Physical & Derivative Agri-Trading*
RMB | Commodity Securitization
Bcom Accounting | University of Stellenbosch



CHRIS MATTHEWS

Agri Specialist

Agricane | Director | *An agri engineering & development company.*
Mafambisse Sugar | Agri Project Manager | *Expertise include project management, engineering, agronomy, agro-economics, investment, management training and survey operations.*
BSc Agric-Eng (Honors) | Cranfield Institute of Technology



MATTHEW ROBINSON

Fund Advisor

Investec | Portfolio Manager | *International Finance Team*
BA PPE | University of Stellenbosch
PDM | Wits University



New Business Development

MARC DE HENNIN

Director UK Office

Bunge | Global Head of Business Development
FourWinds Capital Management | Head of Global Marketing and Distribution
LCF Edmond de Rothschild London | Managing Director Alternative Investment
Bank of America, London | Head of Credit Sales, Northern Europe
University of Brussels | MA Political Science



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Marbella Road, Pellegrin, Trianon, Quartre Bornes, Mauritius
contact@barakfund.com | www.barakfund.com
Investor Relations: investor@barakfund.com

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