

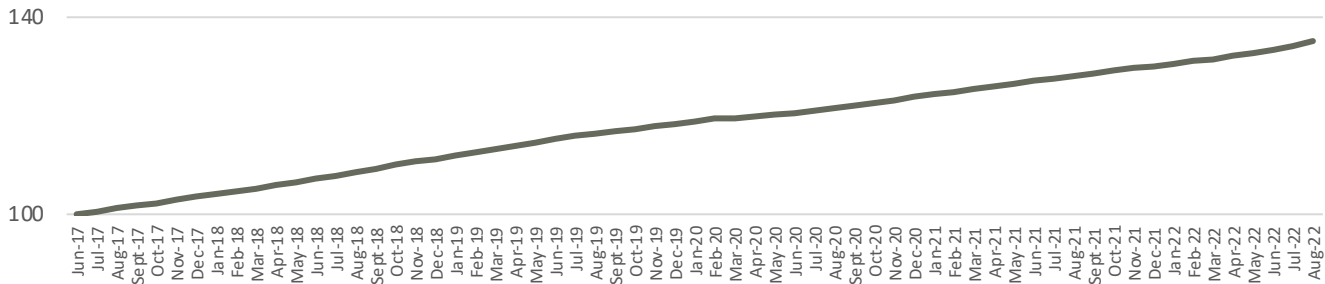
## High Income Alternative Note

The High Income Alternative Note was created to answer a market demand for high-yielding, liquid and sophisticated strategies. It focuses on areas where the capital supply is scarce that offer high and stable returns for investors: Factoring and short-term credit opportunities.

### KEY TERMS

<b>Target return</b>	9% per annum	<b>NAV</b>	101.49
<b>Liquidity</b>	Monthly + 45-day notice	<b>Launch Date</b>	June 2017
<b>Coupon</b>	6% per annum	<b>Coupon Payment Frequency</b>	Quarterly
<b>Min. Investment</b>	\$50,000	<b>Min. Sub. Investment</b>	\$10,000
<b>Management Fee</b>	1.25%	<b>Performance Fee</b>	10% (High Watermark)

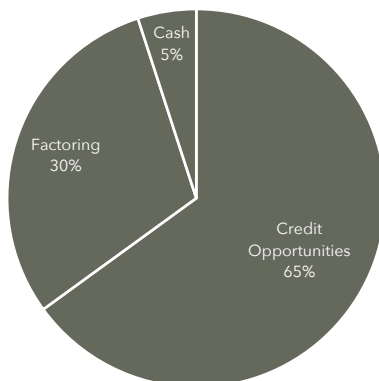
### NET PERFORMANCE TO INVESTORS



	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2022	0.41%	0.42%	0.29%	0.57%	0.33%	0.52%	0.62%	0.73%					3.96%
2021	0.40%	0.41%	0.51%	0.37%	0.42%	0.48%	0.37%	0.35%	0.46%	0.44%	0.39%	0.26%	4.98%
2020	0.37%	0.56%	0.06%	0.23%	0.37%	0.17%	0.46%	0.41%	0.43%	0.47%	0.36%	0.66%	4.65%
2019	0.59%	0.63%	0.56%	0.59%	0.58%	0.65%	0.60%	0.36%	0.35%	0.36%	0.59%	0.36%	6.41%
2018	0.56%	0.45%	0.52%	0.66%	0.58%	0.72%	0.46%	0.70%	0.67%	0.73%	0.66%	0.39%	7.35%
2017							0.45%	0.81%	0.46%	0.51%	0.69%	0.63%	3.60%

Past performance should not in any circumstances be taken as an indication of future performance. Investors and prospective investors should refer to the official documents of the Note, including the Series Memorandum, for further information about the risk of investing in this investment fund.

### TARGET ALLOCATION



#### Credit Opportunities

Senior-secured short-term loans to small and medium-sized enterprises.

#### Factoring

Diversified portfolio of corporate receivables.



Stephane Prigent, CFA  
CEO

## ABOUT KATCH INVESTMENT GROUP

Katch Investment Group ('KIG') is a dynamic asset management boutique offering innovative investment solutions in a constantly changing and challenging financial market environment. In the aftermath of the global financial crisis, major central banks' liquidity injections have inflated traditional asset classes, while new regulations reduced the banks' appetite and capability to lend to smaller businesses.



Laurent Jeanmart, CFA  
Chairman

KIG identified these trends and decided to launch a note that invests in short-term lending and financing opportunities. It focuses on areas where the capital supply is scarce that offer relatively high and stable returns for investors, such as factoring, and other credit opportunities.



Pascal Rohner, CFA  
CIO

The note is registered in Ireland and partners with recognized financial institutions. It is managed by Stephane Prigent (Ex-Managing Director & Global Head of Equity Sales Research at State Street Capital), Laurent Jeanmart (Ex-head of Investment at Platinum Capital & Ex-CIO at Fidelis Insurance Holdings), and Pascal Rohner (Ex-CIO at Private Investment Management & Ex-Credit Suisse).

The note targets a total return of 9% in USD, with a dividend of 6% p.a. paid on a quarterly basis.

## PORTFOLIO REVIEW

The performance has further improved in August, mainly thanks to the rising exposure to opportunistic direct loans. Most of the loans are now denominated in EUR, and we hedge this exposure via forwards on a monthly basis. After the recent increase in USD rates, the interest rate differential versus the EUR has further widened, which has created a hedging tailwind that is helping the note's performance. Finally, our factoring operations in Brazil are also contributing positively. We exited the UK factoring business on Aug 31, 2022, which gives us more room to grow our direct loan exposure in Europe.

The portfolio remains well diversified with 25% of the portfolio in factoring (Brazil), 55% in opportunistic direct loans and 20% in cash and other strategies. We continue to believe that short-term property lending, in niche areas with strong value creation, is one of the most attractive investment strategies in an inflationary environment.

## NOTE CHARACTERISTICS

<b>Name</b>	High Income Alternative Note
<b>Issuer</b>	Alphanotes ETP DAC
<b>Listing</b>	Vienna
<b>Advisor</b>	Katch Advisors LLC
<b>Trustee</b>	Intertrust
<b>Auditor</b>	EisnerAmper
<b>Issuer Counsel</b>	Eversheds
<b>Issuing Size</b>	\$60,000,000.00
<b>Coupon</b>	6% per annum, paid quarterly
<b>Currency</b>	USD
<b>Management Fees</b>	1.25%
<b>Performance Fees (High Watermark)</b>	10%
<b>ISIN</b>	XS1609300121

### Important Notice:

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