

HIGH INCOME ALTERNATIVE

JANUARY 2024
PRIVATE & CONFIDENTIAL
Katch Investment Group

This is a marketing communication. Please refer to the prospectus of the Katch Fund Solutions SICAV before making any final investment decisions.

Signatory of:





Executive summary

KATCH Katch Investment Group (KIG) is an Asset Management Company focusing on private debt. KIG's three partners have strong Investment Management credentials and a successful history with some of the INVESTMENT Page 3 **GROUP** most well-known global banking institutions. Since 2008, regulation and capital requirements have curtailed banks' ability to lend. THE The shortage of capital has created very compelling investment opportunities in liquid private debt. Page 6 By many metrics, private debt is the most compelling asset class, providing investors with strong risk-adjusted MODEL returns, stable returns, and low volatility. HIGH The High Income Alternative Note deploys capital in private debt areas, such as specialized credit opportunities INCOME and factoring. Page 8 ALTERNATIVE The key to success in the lending sphere is focusing on the quality of collateral rather than the client's credit NOTE history. THE NOTE'S The High Income Alternative is domiciled in Delaware, USA. Page 19 The Note is available in USD currency. TERMS





KATCH OVERVIEW

Katch Investment Group is an Asset Management Company dedicated to investing in private debt.

- Global presence: London (UK), Panama, Brazil, and Switzerland.
- The three founding partners have over 60 years of combined investment management experience gained at top-tier global financial institutions.
- Katch Investment Group manages over 850 million USD in gross assets within its investment Funds.





KATCH OVERVIEW: Principals



Stephane Prigent, CFA Chief Executive Officer

- 20+ years of successful asset allocation
- Ex-Managing Director and Head of Equity Sales at State Street Global Markets
- Substantial experience in private banking and fund structuring
- CFA charterholder, Darden MBA



Laurent Jeanmart, CFA Chairman

- 20+ years of successful asset allocation
- Positive performance as a portfolio manager every year since 1999
- Ex-CIO of a multi-billion USD asset manager and Insurance Company
- CFA charterholder, INSEAD graduate



Pascal Rohner, CFA Chief Investment Officer

- 20+ years of successful asset allocation
- Ex-CIO at Credit Andorra Panama & Private Investment Management
- **Ex-Credit Suisse**
- CFA charterholder, university of Zurich

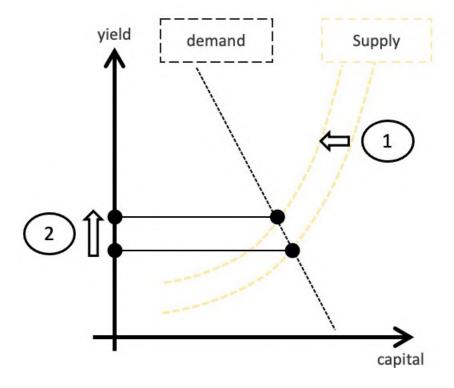
Over 60 years of combined expertise.

Katch Founding Partners contribute extensive private debt experience to the firm.



KATCH: The model (i)

- Since the Financial crisis, government intervention and new regulations have made capital allocation less efficient.
- Certain investment areas have become very attractive, mostly because of the traditional sources of funding for certain activities have dried up.
- As supply of capital has reduced and caused the capital supply curve to shift to the left for certain activities (1).
- This has created a substantial appreciation in yield for these activities (2).



Source: Katch Investment Group.

Our strategy is to identify these areas where supply of capital is scarce (and where yields are high) and allocate to them.

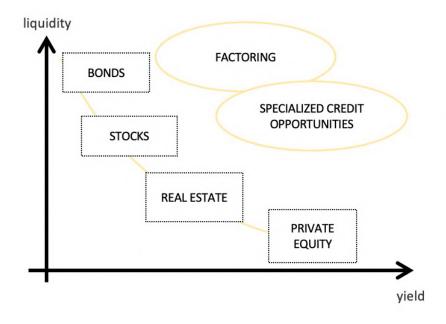


KATCH: The model (ii)

We have identified at least 2 areas where capital is in short supply, and thus offering very attractive yields: Factoring and Specialized Credit Opportunities.

Key Benefits:

- High and stable returns
- Low volatility
- Liquidity
- Uncorrelated to traditional assets
- No leverage



Source: Katch Investment Group.

Usually, the less liquid an investment, the higher the expected return.

Today, this is not the case, making private debt the most interesting asset class available.





What is the High Income Alternative Note?



Source: Katch Investment Group. *The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment and/or current market conditions and are not an exact indicator. What you will get will vary depending on how the market performs and how long you keep the investment/product. Future performance is subject to tax, which depends on the individual investor's circumstances and may change in the future. Investment may result in a financial loss.



Specialized Credit Opportunities

The Fund lends at conservative LTVs against the 3rd party verified market value:

- Development project finance with planning permission and building permits;
- Diversified Private capital fund portfolio of real estate assets
 1st ranking in NAV distribution ahead of Fund LPs.

Key Benefits:

- Diversification
- High and stable returns
- Low volatility
- Uncorrelated to traditional assets





Trade Example: Specialized Credit Opportunities

Katch was approached by a successful serial residential developer with over 20 years of track record to acquire and refurbish three chalets in prime central Deauville.

EUR 1.3M of the 30-month facility was utilized to acquire the three chalets with a surface area of approximately 1,500m² on a large plot of land right in front of the sea (Day 1 LTV: 43% | LTC: 70%).

A further EUR 2.9M facility will be advanced to refurbish the villas to a luxury standard.

Interest Coverage Size Duration

12%

1.3x

€4.2M

30m

The refurbished chalets will then be sold to the luxury-end of the market in this prime tourist resort.



Source: Katch Investment Group.

Specialized Credit Opportunity process

SOURCING

Team of professionals searching the market for Borrowers.

DUE DILIGENCE

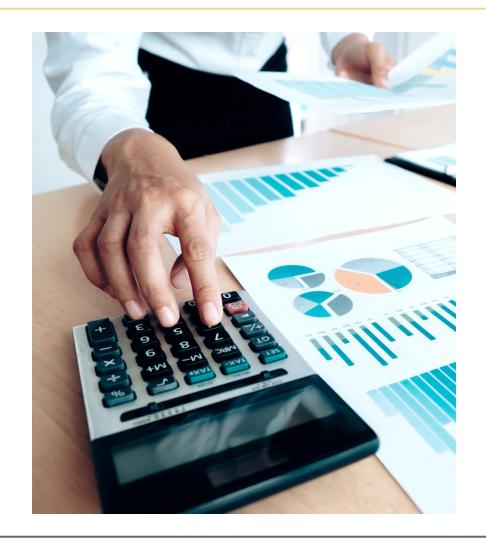
The process of analyzing the Borrower's company structure, credit history, and available collaterals.

APPROVAL

Based on due diligence, the Fund authorizes a credit limit for the Borrower.

MONITORING

Rigorous on-going checks with the Borrower insuring timely repayment.





Factoring: A global opportunity

100%

Factoring volume Growth expected in middle-income countries within 10 years.

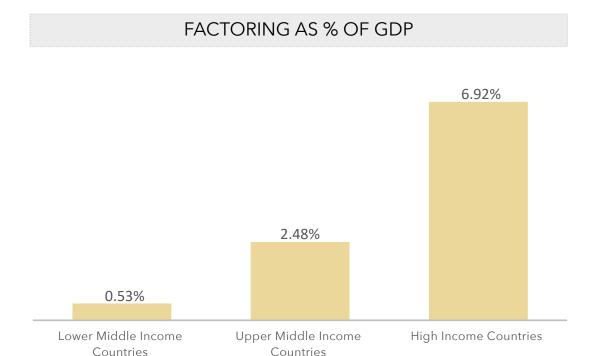
10.8%

6-year global factoring market growth.

<0.5%

Global average default rate.





Source: MSME Finance Gap, Assessment of the shortfalls and opportunities in financing micro, small and medium enterprises in emerging markets, IFC 2017.



Factoring: A mutually beneficial funding technique

FOR THE SELLER OF INVOICES



Availability of capital.

Flexibility: Unlike a line of credit with a bank, sellers of invoices can stop using this source of funding as soon as they do not need it anymore.

FOR THE BUYER OF INVOICES



High return on assets (up to 2% per month).

Capital protection is ensured with the seller of the invoice guarantees: provision of collateral and, sometimes, a personal guarantee.



Factoring process

SOURCING

Team of professionals searching the market for Borrowers.

DUE DILIGENCE

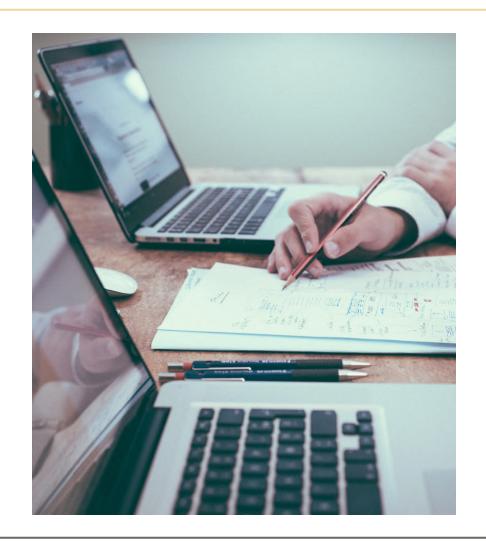
The process of analyzing the Borrower's company structure, credit history, and available collaterals.

APPROVAL

Based on due diligence, the Fund authorizes a credit limit for the Borrower.

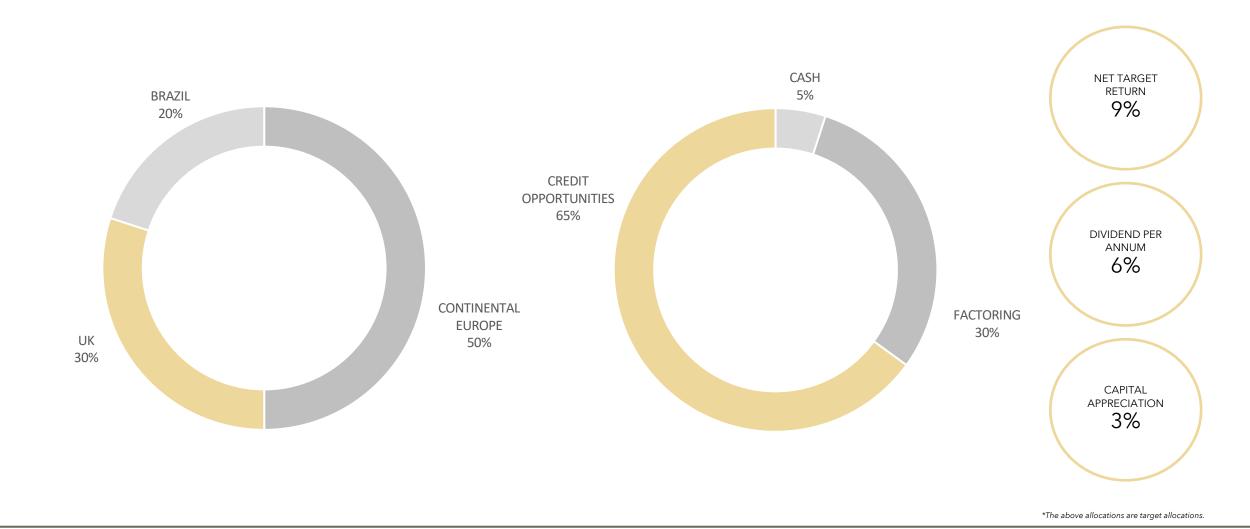
MONITORING

Rigorous on-going checks of the underlying commercial transaction insuring timely repayment.





Average portfolio allocation target





Attractive historical returns

HISTORICAL NET TRACK RECORD (ISIN: XS1609300121)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	FY
2017							0.45%	0.81%	0.46%	0.51%	0.69%	0.63%	3.60%
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%
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%
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%
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%
2022	0.41%	0.42%	0.29%	0.57%	0.33%	0.52%	0.62%	0.73%	0.43%	0.56%	0.49%	0.57%	6.10%
2023	0.39%	0.79%	0.56%	0.45%	0.80%	0.22%	0.59%	0.77%	0.76%	0.32%	0.18%	0.25%	6.25%

Source: Katch Investment Group. The performance of High Income Alternative Note is live starting July 2017. The High Income Alternative Note base currency is USD. The track record is based on the actual performance of the underlying strategy, net of all fees and costs to investors. Past performance should not in any circumstances be taken as an indication of future performance. The value of the money invested in the fund can increase or decrease, as a result of currency fluctuation and there is no guarantee that all of your invested capital can be redeemed. Investment may result in a financial loss. Investors and prospective investors should refer to the official documents of the Note, including the Offering Memorandum, for further information about the risk of investing in this investment fund.

Risk section - please see following slide.



High Income Alternative Note

Risk section

The main risks associated with this investment are as follows:

Market risk: Investments in the sub-fund are only suitable for investors that are able to bear the economic risk. The value of the subfund may fluctuate dramatically due to market factors such as interest rates, credit quality of borrowers and guarantors and foreign exchange rates.

<u>Liquidity risk:</u> An investment in the sub-fund carries a general liquidity risk. The shares may also be affected by restrictions on redemption imposed by the sub-fund Memorandum and under applicable law.

Political risk: Values may be affected by complex political factors, including governmental action to fix or support the value of a currency or capital controls, regardless of other market forces.

Tax risk: Investors should seek independent tax advice regarding the tax implication of buying, holding and redeeming the sub-fund.

Currency risk: Investors are subject to currency fluctuations when they purchase shares in the sub-fund that are dominated in a currency that is different from the investor 's base currency.

The value of the money invested in the fund can increase or decrease and there is no guarantee that all of your invested capital can be redeemed. Investment may result in a financial loss.





Investment terms

LISTING	Vienna					
TRUSTEE	Intertrust					
ISSUING SIZE	\$60,000,000					
ISIN	XS1609300121					
COUPON	6% per annum, paid on quarterly basis					
MANAGEMENT FEE	1.25% per annum					
PERFORMANCE FEE	10% of High Watermark*					
LIQUIDITY	Monthly, with a 45-day notice					
ISSUE & PAYING AGENT	BNY Mellon					
AUDITOR	EisnerAmper					
FUND MANAGER	Katch Advisors LLC					

*Performance fee are charged on a monthly basis.



Important Notice:

This is a marketing communication. Please refer to the prospectus of the Katch Fund Solutions SICAV before making any final investment decisions. The manager or management company may decide to terminate the arrangements made for the marketing of the Fund. Investors Rights & Risk associated with the investment can be obtained in English language via the following link: https://katchinvest.com/wp-content/uploads/2023/10/Katch-Investment-Group-Investor-Rights-^0-Risk.pdf

The material being provided (the "document") including all information relation to the Katch Fund Solutions - Katch Global Lending Opportunities Fund, Katch Fund Solutions - Katch Real Estate Lending Fund, Katch Fund Solutions - Katch Factoring Fund, Katch Fund Solutions - Katch Litigation Fund, Katch Fund Solutions - Katch European Secured Lending Fund, Katch Fund Solutions - Katch European Real Estate Partners Fund (The Sub-Funds), sub-funds of the Katch Fund Solutions S.A. SICAV RAIF (the "Fund"), is confidential and is intended solely for the use of the person or persons to who it is given or sent and may not be reproduced, copied or given in whole or in part, to any other person. The Document is not approved for the public and is only intended for recipients who would be generally classified as "professional", "institutional" or "well-informed" investors who equally qualify as professional clients within the meaning of Annex II of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments. The Document is not designed for use in any jurisdiction or location where the publication or availability of the Document would be contrary to local law or regulation. If you have access to the Document, it is your responsibility to be aware of and to observe all applicable laws and regulations of any relevant jurisdiction and it is recommended an investor first obtains appropriate legal, tax, investment or other professional advice prior to acting upon the Document. The Document shall not be considered as a private placement memorandum or a public offer. In connection with the information given in this Document, no person is authorized to give any information nor to make any representations other than those contained in this Document and any commitment to the Sub-Fund made by any person on the basis of statements or representations not contained in or inconsistent with the information contained herein shall be solely at the risk of that person. This Document does not purport to be all-inclusive and does not necessarily contain all the information that a prospective investor may desire in deciding whether or not to commit to the Sub-Fund. No representation or warranty, express or implied, is or will be made in relation to, and no responsibility or liability is or will be accepted by the Fund as to or in relation to the accuracy or completeness of this Document or any other information, written or oral, made available to any recipient or its advisors in connection with any further investigation of the Fund. The materials contained herein are intended to supplement discussions between the Fund and the recipients, and the supplemental discussions are required for these materials to be meaningful. The information contained in this

Document will be superseded by, and is qualified in its entirety by reference to, the placement memorandum of the Fund, which will contain information about the investment objective, terms and conditions of an investment in the Sub-Fund and will also contain tax information and risk disclosures that are important to any investment decision regarding the Sub-Fund and which should be read carefully prior to an investment in the Sub-Fund, and also is qualified in its entirety by reference to the articles of association of the Fund and the commitment agreement for the Sub-Fund. To the best of its knowledge, the Fund has taken all reasonable care to ensure that the information contained herein is in accordance with the facts and does not omit anything likely to mutually affect the importance of such information at the date of issuance of this Document. The Fund expressly disclaims any and all liability based on such information, errors in such information, or omissions from such information. In particular, no representation or warranty is given as to the accuracy of any financial information contained in this Document or as to the achievement or reasonableness of any forecasts, projections, management targets, prospects or returns. Prospective investors should not construe the content of this Document as investment, legal, business, accounting, tax or other advice. In making an investment decision, prospective investors must rely on their own examination of the Fund and the Sub-Fund and the related documentation and the terms of the offer, including the merits and risks involved which can be obtained from the AIFM of the Fund, in English language. Each prospective investor should consult his/her own attorneys, business advisors and/or tax advisors as to legal, business, accounting, tax and related matters concerning an investment in the Sub-Fund. An investment in the Sub-Fund involves risks. Prospective investors should have the financial ability and willingness to accept such risk characteristics. Neither the distribution of this Document nor any offer shall under any circumstances create any implication or constitute a representation that there has been no change in the business or affairs or any other information contained in the Document since the date of this Document.

Distribution in Switzerland to qualified investors only and in accordance with the Collective Investment Schemes Act (CISA):

The Sub-Fund may only be offered and this document may only be distributed in Switzerland to qualified investors. Home country of the Fund: Luxembourg. The representative in Switzerland is Carnegie Fund Services SA, 11 rue du General-Dufour, 1204 Geneva, Switzerland. Swiss Paying Agent in Switzerland is Banque Cantonale de Geneve, 17 quai de l'ile, 1204 Geneva, Switzerland. The offering memorandum and other key investor information document or fund contract as well as the annual reports may be obtained free of charge from the representative. In respect of the units distributed in and from Switzerland, the place of performance and jurisdiction is the registered office of the Representative.



Fund Registered address: