

## Katch Fund Solutions – Katch Litigation Fund

## Senior Share Class I : USD (Acc)

### FUND PROFILE

The Katch Litigation Fund delivers targeted returns with an emphasis on risk and liquidity management. The fund's strategy is to fund small-size, short duration claims eligible to UK quasi-governmental compensation scheme, as well as larger claims where a group of claimants act together to get compensation in Court.

Focusing on the UK financial service sector, the fund enjoys much less credit risk, higher diversification and better liquidity than typical litigation funds. The Katch Litigation Fund is structured to properly align the interest of investors with those of the managers.

### INVESTMENT OPPORTUNITY

Compared to other markets such as the US, where funding is abundant and competition for capital very high, the UK litigation market typically offers the chance for higher return on capital. It also offers one of the best judicial systems globally with UK courts, as Great Britain is a major judicial center in international dispute resolution, such as arbitration.

Partnering with UK litigation management specialists, who bring substantial experience in both the sourcing of and the completion of full due diligence processes, focusing mainly on mis-sold financial products, the Katch Litigation Fund benefits from a fully controlled origination system, allowing the funding of cases that tend to pay significantly more on success.

### FUND ALLOCATION\*

The fund is focused on a dual strategy of delivering predictable returns and capital preservation. To achieve this, more focus is placed on structuring facilities and collateral creation. Low-value, fast-moving claim types allow the fund to extend full recourse loans, which have the benefit of insurance wrappers that preserve capital and often returns.



- Car Finance Claims Wholesale - 19.55%
- Claims acquisition - 12.62%
- Wholesale CMI - 10.27%
- Wholesale Plevin 2 - 7.09%
- FSCS/FOS/CMC - 2.64%
- Wholesale BEC - 2.07%
- Insolvency Claims - 0.71%
- Working Capital Facilities - 15.37%
- Wholesale Plevin 1 and 3 - 12.10%
- Group Claims - 9.49%
- Cash and Cash equivalent - 4.65%
- IVA Claims - 2.26%
- HP Equity value - 1.14%
- HP Incubator - 0.03%

\*Source: Katch Investment Group. As of November 30, 2023. Allocation may vary over the time.

### PORTFOLIO REVIEW

In November, the Fund returned +1.27%, bringing its year-to-date net performance to +14.88% (GBP-I class). The main areas of allocations remain insolvency practitioners' claims ("IP claims") and claims generation funding.

The IP claims allocation consists in the extension of secured funding to generate, retain and manage over 14,200 Individual Voluntary Arrangements ("IVAs"). An IVA facilitates settlements between individual consumers and their creditors. The Insolvency Practitioner is entitled to fixed fee paid monthly over the period, for which the Fund is advancing funds at a 32% LTV with total priority of payment and a full security package. The investment is already performing with the Fund receiving its first inflows from the deal within a week of closing.

The Fund also authorised a £6.7m loan facility to a leading technology driven regulated Claims Management Company ("CMC") to generate high quality legal claims. The CMC generates and runs a high number of eligible claims via the Financial Ombudsman Service ("FOS") compensation scheme. Katch charges a coupon of 50%, and realises a return when claims are either sold to law firms, or successfully run by the CMC via the FOS. The Fund benefits from a full security package including floating charge over the company, assignment over the claims and holds an equity stake in the CMC.

We continue to focus and make good progress on book building for the Fund's Plevin Group Litigation Order – a way to give access to justice to hundreds of thousands, and potentially more, of small claimants. If this investment is ultimately successful the upside for the Fund might be nothing short of gigantic.

We are making progress with the re-allocation of our claims from SSB to three different law firms. We expect this to be finished in a matter of weeks and the Administrators of SSB have also confirmed that a first batch of c. 7,000 Plevin claims (valued at c. 7-10m GBP) will be allocated to us in addition to the claims we have funded, in application of our security.

Finally, we are in the final stages of launching the Katch Litigation Equity Partners' second vintage, KLEP2, a two-plus-two closed-end product with a net target annual return of 25%. Please be in touch should you want to know more about this offering.

### FUND STRUCTURING & KEY TERMS

<b>Fund Name</b>	Katch Fund Solutions – Katch Litigation Fund
<b>Fund Domicile</b>	Luxembourg
<b>Legal Form</b>	SICAV-RAIF S.A.
<b>Launch Date</b>	June 2020
<b>Fund Type</b>	Open-ended
<b>Fund Base Currency</b>	GBP
<b>Target Return (p.a.)**</b>	16%****
<b>Liquidity</b>	Semi-annual + 365-day notice
<b>Common Equity</b> (asset ratio)	13.1%
<b>Min. Investment**</b>	\$1,000,000
<b>Min. Sub. Investment**</b>	\$125,000
<b>Management Fee (p.a.)**</b>	1.6%
<b>Performance Fee (p.a.)**</b>	20% (over 9.75%)*****
<b>Share Classes Currency</b>	GBP – USD – EUR – CHF – AUD
<b>Lock-in Period</b>	None
<b>Hedging</b>	All non-GBP currencies are hedged
<b>Leverage</b>	None

\*\*For institutional USD share classes only. \*\*\*For I USD Acc class only. \*\*\*\*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. \*\*\*\*\*Performance fee are charged on a monthly basis.



Stephane Prigent, CFA  
CEO

## ABOUT KATCH INVESTMENT GROUP

Katch Investment Group 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

Katch identified these trends and decided to launch a fund 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, receivables monetization and real estate bridge loans.



Pascal Rohner, CFA  
CIO

The fund is registered in Luxembourg 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).



Laurent Jeanmart, CFA  
Portfolio Manager

## ABOUT OUR PORTFOLIO MANAGER

Laurent has 20 years of investment experience in alternative asset management. He has held key roles, including group Chief Investment Officer at Fidelis Insurance Holdings Ltd., overseeing \$1.5 billion in assets. Additionally, he served as the Global Head of Investment at Platinum Capital Management Ltd., where he actively managed funds across various asset classes. Laurent graduated from Institut d'Etudes Politiques and Institut d'Administration des Entreprises, both in France, from INSEAD (France-Singapore), and has successfully passed all three levels of the CFA Charter holder exam.

## FUND PROVIDERS

<b>Alternative Investment Fund Manager – "AIFM"</b>	Funds Avenue
<b>Advisor</b>	Katch Advisors LTD
<b>Administrator</b>	Bolder Group
<b>Custodian</b>	Creand
<b>Auditor</b>	KPMG
<b>Legal Advisor</b>	CMS Luxembourg

## FUND INSTITUTIONAL SENIOR SHARE CLASSES

			ISINs	Bloomberg Code
Class I	USD	Acc	LU2582194739	KASLIUA LX
Class I	EUR	Acc	LU2582194812	KASLIEA LX
Class I	GBP	Acc	LU2582194655	KASLIGA LX
Class I	CHF	Acc	LU2582194903	KASLICA LX
Class I	AUD	Acc	LU2597542088	KASLIAA LX

## FUND PRICING & PERFORMANCE

<b>NAV***</b>	111.48
<b>YTD***</b>	16.20%
<b>12 months***</b>	17.51%

\*\*\*For I USD Acc class only.

## NET PERFORMANCE TO INVESTORS – I USD Acc (ISIN: LU2582194739)



	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2023	1.31%	1.48%	1.39%	1.39%	1.38%	1.38%	1.36%	1.36%	1.32%	1.37%	1.39%		16.20%
2022	1.45%	1.32%	1.15%	1.26%	1.32%	1.35%	1.41%	1.37%	1.37%	1.46%	1.47%	1.13%	17.27%
2021	0.75%	1.12%	1.27%	1.14%	1.30%	1.37%	1.57%	1.15%	1.12%	1.70%	1.45%	0.81%	15.79%
2020									0.65%	0.68%	0.70%	0.70%	2.76%

**Source:** Katch Investment Group. The performance of Katch Fund Solutions – Katch Litigation Fund is live starting September 2020. The above track record is based on the actual performance, net of all fees and costs to investors. Past performance does not predict future returns. Past performance should not in any circumstances be taken as an indication of future performance. Returns may increase or decrease as a result of currency fluctuations. Investors and prospective investors should refer to the official documents of the Fund, including the Private Placement Memorandum, for further information about the risk of investing in this investment fund.

### 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 sub-fund may fluctuate dramatically due to market factors such as interest rates, credit quality of borrowers and guarantors and foreign exchange rates.

**Liquidity risk:** 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.

## DISCLAIMER – IMPORTANT NOTICE:

This is a marketing communication. Please refer to the prospectus of the Katch Fund Solutions – Katch Litigation Fund 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 Litigation Fund (The Sub-Fund), a sub-fund 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. The Swiss Paying Agent in Switzerland is Banque Cantonale de Geneve, 17 quai de l'île, 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.

# KATCH

Moray House, 23-31 Great Titchfield Street, W1W 7PA, London, United Kingdom  
[www.katchinvest.com](http://www.katchinvest.com) | [info@katchinvest.com](mailto:info@katchinvest.com)