

CREDIT ARBITRAGE FUND

FUND FACT SHEET | MARCH 2025

FUND STRATEGY

The Chrysalis Credit Arbitrage Fund strives to achieve absolute returns well above that of cash in all market conditions, by seeking out disproportionate returns in the private sector credit market. The Chrysalis team comprises ex-bankers who use their networks, banking experience, deal-making ability and market knowledge to compete with the traditional banks as a viable lending alternative. We aim to deal with high quality borrowers with strong balance sheets, who operate in growth sectors of the real economy. We focus on cash flow and seek non-binary risk. By being efficient, providing certainty and forging quality relationships we manage to generate disproportionate returns relative to the risk profile of the investments. Transaction examples include property finance for quality commercial property assets and/or developments, working capital or expansion finance for growing corporates and acquisition finance for investment funds.

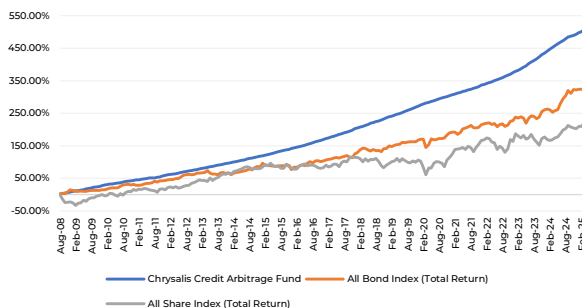
FUND COMMENTARY

At the time of writing this commentary, the world is in turmoil following US President Trump's Liberation Day tariffs which affect large and small economies across the globe alike, with SA being hit with a 30% tariff. At the same time our GNU is looking very shaky with the DA and ANC at loggerheads regarding the approval of the budget. From a macro perspective, these two issues have the ability to knock back our fragile economic recovery, yet in both cases the jury is out as to whether sense will prevail and adverse consequences avoided.

For now, we can confirm that little to none of our borrower companies are impacted by tariff increases, and thus the real question is how resilient each of those businesses is in the face of a potential global and South African economic downturn. At this stage we are comfortable that our portfolios will withstand these shocks, just like we were comfortable when Covid hit our shores - the answer lies in the fact that we mostly fund large balance sheets (73% of our loans are backed by entities with NAV's of R1bn or more) and 64% of our book is senior secured. Both the tariffs and GNU trends are of course developing stories thus we will keep a close eye on developments.

PERFORMANCE VS ALBI AND ALL SHARE SINCE INCEPTION

Fund performance vs All Bond and All Share



INVESTMENT PERFORMANCE

Returns to 31 Mar 2025	Chrysalis	CPI	ALBI
1 Month	0.81%	0.26%	0.19%
3 Months	2.16%	1.47%	0.70%
6 Months	3.81%	1.47%	1.13%
12 Months	9.79%	2.62%	20.27%
Since Inception	506.67%	125.02%	324.72%
Since Inception p.a.	11.42%	4.99%	9.07%
Risk Measures	Chrysalis	CPI	ALBI
Standard Deviation (annualised)	0.99%	1.34%	7.66%
Loss Deviation	-	0.32%	4.25%
Gain Deviation	0.99%	1.23%	5.27%
Largest Drawdown	-	-1.12%	-9.79%
Largest uninterrupted Loss	-	-1.12%	-9.79%
Best Month	2.49%	1.54%	7.06%
Worst Month	0.17%	-0.95%	-9.75%
Gain Periods	200	187	138
Loss Periods	-	13	62
% Gain Periods	100.00%	93.50%	69.00%
Sharpe Ratio	5.85	-0.70	0.40
Sortino Ratio	n/a	-0.88	0.60
Correlation	1.00	-0.09	0.06
Value at Risk - 95%	1.36%	0.75%	3.70%

SALIENT FEATURES

Fund Name:	Chrysalis Credit Arbitrage Fund
Fund Objective:	Cash plus returns regardless of market conditions
Style:	Structured Finance
Inception:	1 August 2008
Fund Size:	R486.3 million
Management Fee:	2% p.a.
Performance Fee:	20% performance fee above hurdle rate
Fund Managers:	Carl Combrinck BA LLB PG Dip Tax BCorn (Hons) (Fin. Man) Mark Pienaar BEcon (Hons) Nick Goldblatt CA (SA)
Hurdle Rate:	Standard Bank Wholesale Call Rate
Administrators:	GAEL Fund Services (Pty) Ltd
Auditors:	Mazars South Africa
Attorneys:	Edward Nathan Sonnenbergs
Compliance:	Independent Compliance Services

CONTACT DETAILS

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	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2008	-	-	-	-	-	-	-	1.49%	1.46%	1.56%	1.67%	1.53%	7.95%
2009	1.65%	1.49%	0.56%	1.49%	1.44%	1.50%	1.63%	1.57%	1.50%	1.04%	0.71%	2.49%	18.46%
2010	1.21%	0.93%	1.06%	0.84%	0.93%	0.76%	0.92%	0.71%	1.57%	1.08%	0.61%	1.10%	12.37%
2011	0.71%	0.87%	0.74%	0.80%	0.83%	1.06%	0.22%	0.17%	0.93%	0.81%	1.81%	1.31%	10.75%
2012	0.77%	0.83%	0.81%	0.81%	0.90%	1.57%	0.68%	0.69%	1.00%	0.88%	0.74%	0.98%	11.19%
2013	0.79%	1.25%	0.83%	0.96%	0.79%	0.83%	0.86%	0.85%	0.82%	0.82%	1.03%	0.87%	11.24%
2014	0.81%	0.77%	0.86%	0.82%	0.84%	0.82%	0.99%	0.89%	0.83%	0.85%	0.81%	0.88%	10.62%
2015	0.81%	0.74%	0.89%	0.89%	0.91%	1.11%	0.80%	0.88%	0.84%	0.95%	0.71%	0.97%	11.02%
2016	0.72%	0.74%	1.05%	0.82%	0.85%	0.98%	0.97%	0.87%	0.92%	0.93%	0.91%	1.20%	11.53%
2017	0.87%	0.80%	0.94%	0.85%	0.86%	1.14%	0.88%	1.04%	0.87%	0.91%	0.92%	1.31%	12.00%
2018	0.95%	0.86%	0.88%	0.90%	0.88%	1.05%	0.78%	0.78%	0.73%	0.96%	0.67%	1.36%	11.35%
2019	0.80%	0.70%	0.84%	0.70%	0.70%	0.88%	1.01%	0.89%	0.79%	0.81%	0.95%	1.07%	10.62%
2020	0.80%	0.90%	0.80%	0.67%	0.65%	0.60%	0.59%	0.91%	0.60%	0.63%	0.56%	0.73%	8.77%
2021	0.63%	0.56%	0.60%	0.59%	0.62%	0.58%	0.61%	0.89%	0.57%	0.58%	0.68%	0.89%	7.78%
2022	0.58%	0.53%	0.65%	0.61%	0.80%	0.64%	0.63%	0.65%	0.87%	0.91%	0.75%	0.87%	8.84%
2023	0.91%	0.65%	1.01%	0.90%	0.95%	1.28%	1.04%	1.05%	0.94%	1.12%	1.23%	1.03%	12.82%
2024	1.12%	0.98%	1.04%	0.91%	0.99%	1.01%	0.91%	0.94%	0.87%	0.46%	0.42%	0.73%	10.88%
2025	0.72%	0.61%	0.81%	-	-	-	-	-	-	-	-	-	2.16%

RISK DISCLOSURE: The Chrysalis Credit Arbitrage Fund is unregulated by the FSCA, and it is thus not open to investment by the general public. The fund is only appropriate for sophisticated investors who understand and have appetite for the inherent risk. Prospective investors should seek advice from a financial advisor prior to investing, regarding the appropriateness of the investment given their financial objectives, circumstances, liquidity needs and risk profile. This Data Sheet is a private publication intended for private circulation, and may not be distributed to any other person than the recipient. It is for information purposes only, regarding decisions taken within the Fund and the profile assumed by the Fund, and should not be seen as an offer to sell or an invitation to invest. It is the responsibility of any person in possession of this document to inform themselves of, and observe, any applicable laws and regulations of the relevant jurisdiction. Performance numbers are historical, the value of all investments and the income there from can go down as well as up, and as such the past is not necessarily a guide to future performance. Chrysalis Capital is a licensed Financial Services Provider, license number FSP 45692.