

ALTVEST CAPITAL LIMITED

Incorporated in the Republic of South Africa

(Registration Number: 2021/540736/06)

LEI Number: 3789800E85B7YW5EEW57

Ordinary Share Code: ALV ISIN: ZAE000337051

Preferred A Ordinary Share Code: ALVA ISIN: ZAE000338422

Preferred B Ordinary Share Code: ALVB ISIN: ZAE000338430

Preferred C Ordinary Share Code: ALVC ISIN: ZAE000338448

("Altvest" or "the Company")



ABRIDGED PROSPECTUS

Altvest is pleased to inform Shareholders and Investors that the JSE has granted the Company a listing in the "Diversified Financial Services" subsector of the AltX.

This Abridged Prospectus relates to a listing by way of an Offer for subscription of up to 1 000 000 Ordinary Shares, 3 925 366 A Shares, 718 901 B Shares and 39 443 715 C Shares, subject to a minimum subscription amount of R6 000 000 in respect of the Ordinary Shares, of which R2 500 000 has been underwritten by WGW Capital.

This announcement contains the salient information of Altvest, which is more fully described in the Prospectus issued to Shareholders (the "Prospectus") and which is available on Altvest's website at <https://altvestcapital.co.za/altvest-capital/>. The Prospectus was registered by CIPC on Friday, 6 September 2024 and is issued in compliance with the JSE Listings Requirements and the Companies Act for the purpose of giving information regarding Altvest and its subsidiaries. For a full appreciation and understanding of the Listing and Altvest, the full Prospectus should be read in its entirety.

Terms defined in the Prospectus bear the same meaning in this Abridged Prospectus.

1. General overview of the Company

Altvest is an investment holding company operating in the financial services sector that facilitates access to bespoke investments and simultaneously provides funding to South African businesses. It focuses on initiatives to facilitate the funding of SMEs in South Africa and encourages the participation of retail investors in the financial markets by allowing them to invest in bespoke investments.

Altvest was incorporated as a public company on 21 April 2021 and listed on the CTSE on 5 May 2022 under the "Financial Services" sector. Altvest effected a secondary listing on A2X on 6 September 2022. Altvest's A Shares, B Shares and C Shares were listed on the CTSE on 22 September 2022, 12 December 2022 and 5 September 2023 respectively. Altvest Ordinary Shares have a market capitalisation of R60 million and Altvest has raised c.R321 million of capital associated with 3 investee companies since listing on the CTSE.

Altvest's mission is to provide SME's with access to funding for their growth ambitions, via both debt and equity funding solutions. For both solutions, Altvest allows the South African public to participate in the funding through either equity or debt listed instruments.

Altvest's ability to advance loans, i.e., its debt solution, is via the Altvest Credit Opportunities Fund ("ACOF") which provides SME's with an alternative to traditional banking funding (which most don't qualify for) and other SME funders (should their terms be unsuitable).

Equity capital is deployed following a rigorous process whereby the public is invited, via the subscription for Altvest instruments, to crowdfund the capital requirements of the businesses being offered.

Altvest's equity funding is the subject of this Prospectus and has been successfully deployed in 3 distinct and disparate circumstances.

Subject to the Listing becoming wholly unconditional, with effect from the commencement of trade on Monday, 14 October 2024, Altvest will be listed on the JSE's AltX.

Altvest is raising ordinary equity on the following basis:

Net asset value [^]	R70,369,880
Number of shares currently in issue	10,000,000
NAV per share	R7.04
Issue price per ordinary share	R6.50
Discount to NAV	-8%

[^]Based on Altvest's net equity (as set out in Altvest's annual financial statements for the year ended 29 February 2024)

For each of the entities Altvest has equity funded, distinct and relevant capital raising methods have been deployed to maximize the success of the undertaking. In summary, Altvest is seeking to raise capital as indicated in the table below:

Instrument	Maximum Shares to be issued for investee company	Shares in issue at Last Practicable Date	Shares available pursuant to the Offer	Issue Price	Amount to be raised at full subscription
Ordinary Share	N/A	10 000 000	1 000 000	R6.50	R6,500,000
A Share: Umganu	10 000 000	6 075 326	3 924 674	R1.80	R7,064,413
B Share: Bambanani	1 250 000	531 156	718 844	R11.00	R7,907,284
C Share: ACOF	48 333 334	18 499 440	29 833 894	R3.20	R95,468,461
Total					R116,940,158

In order to facilitate participation in the Capital Raise, investors wishing to subscribe for Shares in terms of the Capital Raise must open an EasyEquities account (at no cost), as settlement of the Capital Raise will be done exclusively through the EasyEquities book build platform. Following settlement of the Capital Raise, shareholders are free to transfer their Altvest shares to any JSE brokerage account of their choice.

Customers can access the EasyEquities terms and conditions, and the cost profile for a detailed description of the costs associated to an EasyEquities account here:

<https://campaign.easyequities.co.za/altvest>

Each of the equity offerings linked to an investee company is described below.

The Preferred Ordinary Shares and investee companies

Altvest is an investor into private companies and alternative investment opportunities. Altvest acquired these stakes following a rigorous due diligence and validation process. To fund the acquisitions, Altvest offers the public the opportunity to participate pari-pasu in the opportunities Altvest has identified.

Altvest acquires the shares in the available investment opportunity. Altvest raises the cash required to pay the seller by issuing preferred ordinary shares, that the South African public is able to acquire, hold or sell on a regulated exchange (being the JSE or A2X from the Listing Date). This is a crowd funding mechanism where participants enjoy the benefits of investment instruments that are readily saleable, well governed and regulated with readily and easily available information.

To date, Altvest has issued three classes of preference share associated with the following three companies:

Umganu Lodge

Umganu Lodge was Altvest's first investment. Umganu Lodge is a luxury villa, situated on the Sabie River, adjacent to the world-renowned Kruger National Park. The majority lodges adjacent to Umganu have historically been owned by wealthy non-South Africans.

Altvest acquired 50% of the lodge for R15 million (total value R30 million), paid for out of Altvest's own cash reserves. Altvest's express intention was to issue an instrument to allow ordinary South Africans to share in the economic returns generated by the lodge alongside Altvest and replenish Altvest's cash reserves as a result.

To give effect to this intention, Altvest issued the A Shares, whereby A Shareholders enjoy an Economic Interest directly linked to Altvest's equity investment in Umganu.

As at the Last Practicable Date investors have subscribed for 6 075 326 A Shares since the A Shares were listed on the CTSE, at an average price of R1.60 per A Share, raising R 9 720 522 in aggregate.

The remaining **3 924 674** A Shares are available for investment, at a price of R 1.80 per A Share in terms of the Capital Raise.

The net asset value per A Share, based on the current value of the lodge (as detailed in Altvest's annual financial statements for the year ended 29 February 2024), is estimated to be R2.30 per share. This is based on the most recent transaction in Umganu shares in November 2023, as announced on the CTSE on 16 November 2023, at a valuation of R46 million.

While Altvest owns 50% of Umganu, it has made available an Economic Interest of up to 43.33% of Umganu to A Shareholders (of which 26.32% has previously been subscribed for), with Altvest retaining a carry of 6.67% in the value of the asset. Altvest is now offering investors an opportunity to subscribe for a 17.01 % Economic Interest in the remaining unissued A shares via the Capital Raise (bringing the total Economic Interest of A Shareholders in Umganu to 43.33%).

The details are therefore as follows:

Total value of Umganu Lodge [^]	R43,846,154
Altvest owns 50%	R21,923,077
Value granted to existing A Shareholders (26.32%)	R11,542,231
Value granted to prospective A Shareholders (17.01%)	R7,456,307
Total value granted to A Shareholders (43.33%)	R18,998,538
Attributable value per A Share (existing and prospective)	R1.89
Sale price per A Share	R1.80
Discount to NAV	5%

[^]Based on Altvest's valuation of Umganu (as set out in Altvest's annual financial statements for the year ended 29 February 2024)

Bambanani Family Group

Altvest agreed to acquire up to 46% of the ordinary shares in Bambanani at a valuation of R27 million for Bambanani's business as a whole.

The proceeds from the issue of shares by Bambanani were going to be applied to Bambanani's expansion in pursuance of its objective to scale operations and roll out its business model in more locations.

To facilitate Altvest's investment in Bambanani, Altvest authorised the allotment and issue of up to 1 250 000 B Shares at a value of R 10.00 per B Share. The successful total subscription would raise up to R12,5 million for Bambanani, with Altvest procuring up to 46% interest in the group. Altvest had conservatively valued Bambanani's business at R27 million.

In the case of Bambanani, no cash was deployed upfront for the acquisition of shares in Bambanani. Altvest offered investors the opportunity to subscribe for B Shares, using the proceeds to acquire new ordinary shares in Bambanani.

As at the Last Practicable Date, B Shareholders have subscribed for 531 156 B Shares at an average price of R11.95 per B Share since the B Shares were listed on the CTSE, raising R 6,347,314 in aggregate.

The remaining **718 844** B Shares are available for investment, at a price of R11.00 per B Share in terms of the Capital Raise.

The details are therefore as follows:

Total value of Bambanani Family Group [^]	R26,758,300
Altvest owns 19% (attributable to the B Shares)	R5,084,077
Value of shares available (up to 46%)	R7,224,741
Attributable value per existing B Share	R10.05
Sale price per B Share	R11.00
Premium to NAV	9%

[^]Based on Altvest's valuation of Bambanani (as set out in Altvest's annual financial statements for the year ended 29 February 2024)

Altvest will use the proceeds of the Capital Raise relating to the allotment and issue of B Shares to acquire or subscribe for more shares in Bambanani. These will either be acquired from existing shareholders of Bambanani or through the issue of new shares in Bambanani, which would increase the cash resources of Bambanani.

Altvest Credit Opportunities Fund (ACOF)

In support of Altvest's objective to provide funding to SME's, Altvest incubated a private credit fund to facilitate debt funding to SMEs.

ACOF was structured to procure equity contributions (via the issuance of C Shares) and long-term debt funders (via the listed DMTN program).

Similar to Bambanani and the B Shares, Altvest authorised the allotment and issue of up to 100 000 000 C Shares with a view to raise up to R145 million in equity for ACOF in aggregate.

Altvest offered investors the opportunity to subscribe for C Shares, using the proceeds to acquire new ordinary shares in ACOF.

As at the Last Practicable Date, C Shareholders have subscribed for 18 499 440 C Shares at an average price of R3.10 per C Share since the C Shares were listed on the CTSE, raising R 57,399,303 in aggregate.

29 833 894 C Shares are available for investment, at a price of R3.20 per C Share in terms of the Capital Raise.

The details are therefore as follows:

Total value of ACOF on a post-money basis [^] *	R220,000,000
Value attributable to existing C Shareholders (20% Economic Interest)	R59,198,208
Value of C Shares available (45% Economic Interest)	R95,468,461
Attributable value per existing C Share	R3.00
Sale price per C Share	R3.20
Premium to NAV	7%

[^] The pre-money valuation of ACOF (before any capital was raised in respect of ACOF) is R75 million. The post-money valuation of ACOF assumes R145 million of equity to be injected into ACOF.

* The carrying value of ACOF as at 29 February 2024 was R96 668 859 (comprising the pre-money valuation of R75 million and shares issued for cash of R21 668 859). As at 29 February 2024 8 889 619 C Shares were in issue, of which 1 666 666 C Shares issued for R4 999 998 in settlement of a shareholder loan by WGW Capital. These C Shares are disregarded for purposes of determining ACOF's post money valuation.

For each C Share issued, ACOF issues additional ACOF ordinary shares to Altvest to ensure that the capital raised is transferred to ACOF and the value of Altvest's investment in ACOF duly increases. This allows for the value of the financial asset held by Altvest to be increased while recognizing the corresponding financial liability.

2. Rationale for listing on the JSE

Altvest's business model is largely dependent on having access to the South African investor universe through a large broker network, encouraging retail investors to participate in the financial markets through Altvest's offering of bespoke investment opportunities. The existing broker base servicing the CTSE marketplace is not able to cater for consistent and sizeable bookbuilds. In addition, the current brokerage firms authorised by the CTSE have very limited exposure to the South African retail investor market, limiting Altvest's access to retail investors and retail investors' ability to participate in Altvest's bespoke investments and thus grow Altvest's business.

The primary rationale for the move to AltX is to provide the Company with an ability to efficiently raise capital in order to fund suitable investments identified by the Investment Committee and provide access to capital for SMEs.

By listing on AltX, the Company will ultimately have the platform to:

- provide the general public with low-cost access to traditionally private investment opportunities;
- be a facility for entrepreneurs to raise funding from the general public;
- educate the public on financial markets and access thereto; and
- generate returns for investors and facilitate the generation of wealth for entrepreneurs and SMEs.

3. Prospects

Altvest listed on the CTSE on 5 May 2022 with an overwhelming response from the public. The Altvest team continues identifying and sourcing bespoke investment opportunities with a strong emphasis on identifying the right opportunities, getting the valuations right and balancing risk vs reward.

Altvest enables fractionalised ownership of unlisted assets to both retail and institutional investors, owning secondary market trading of special purpose vehicles owning single institutional-grade assets thereby revolutionising the private equity market.

Part of the Altvest strategy is to build a broad based community for investors, that comprises of a digital and social media strategy to focus on brand awareness, information sharing and investor education. This platform has been extremely successful with month-on-month growth in excess of 90% across all social media channels. This platform continues to grow, expand and assist with building an investment community.

The transfer of Altvest's primary listing from the CTSE to the JSE will enable Altvest to raise its profile with South African-based retail and institutional investors and create a platform to raise equity capital to the extent required in the future.

4. Directors

Name:	Warren Gregory Wheatley*
Age:	45
Nationality:	South African
Business Address:	Block B, 66 Rivonia Road, Chislehurst Sandton, 2196
Qualifications:	CA(SA), CFP. Post Graduate Diploma in Corporate Finance, Post Graduate Diploma in Financial Planning Law, Post Graduate Diploma in Auditing
Occupation:	Entrepreneur
Position:	Chief Executive Officer and Interim Financial Director^

* Warren Wheatley is the founder of Altvest.

^ the JSE has granted dispensation to Altvest such that Warren Wheatley may occupy the joint roles of Chief Executive Officer and Interim Financial Director for a period of six months from the date of listing on the JSE.

Name:	Stafford Clint Masie
Age:	51
Nationality:	South African
Business Address:	87 11th Street, Parkhurst, 2193
Position:	Independent non-executive chairman
Occupation:	Entrepreneur

Name: **Hendrik Petrus (Henk) Barnhoorn**
Age: 55
Nationality: Dutch / South African
Business Address: Staten Avenue 4, Rotterdam,3051 HN, The Netherlands
Qualifications: CA(SA), BCom Hons, MBA, Erasmus University, Rotterdam
Occupation: Entrepreneur

Name: **Fariyal (Fay) Mukaddam**
Age: 52
Nationality: South African
Business Address: Postnet Suite 275, Private Bag X26, Sunninghill, 2157
Qualifications: BA, LLB, Advocate of the High Court of South Africa, Chartered Director (SA)
Position: Independent non-executive director

Name: **Joanne Baynham**
Age: 52
Nationality: South African
Business Address: The Terraces, 25 Protea Road, Claremont, Cape Town
Qualifications: CA(SA), B. Com, Post Graduate Diploma in Accounting
Occupation: Asset management

Name: **Bright Khumalo**
Age: 31
Nationality: South African
Business Address: The Fire Station Building, 16 Baker Street, Rosebank
Qualifications: B. Com Acc
Occupation: Asset management

Name: **Khayelihle Sibusiso (Khaya) Sithole**
Age: 37
Nationality: South African
Business Address: 2nd Floor SAICA Building, 17 Fricker Road, Illovo
Qualifications: CA(SA), M. Sc Finance & Strategy, CFP. Post Graduate Diploma in Corporate Finance, Post Graduate Diploma in Finance & Strategy
Occupation: Entrepreneur

Name: **Gigi Marc (GG) Alcock**
Age: 55
Nationality: South African
Business Address: 33/2 Begonia Road, Kyalami, 1684
Qualifications: Matric
Occupation: Entrepreneur

5. Salient Dates and times

	2024
Prospectus issued to Shareholders	Tuesday, 10 September
Abridged Prospectus published on SENS on	Wednesday, 11 September
Opening date of the Offer (09:00)	Friday, 13 September
Abridged Prospectus published in the press on	Wednesday, 11 September
Last date for applications for purposes of the Offer (Offer closes) (12:00)	Tuesday, 1 October
General meetings to approve the delisting of Altvest Shares from the CTSE and listing on the JSE	Wednesday, 2 October
Results of the general meeting published on the CTSE website	Wednesday, 2 October
Date on which investors will be notified of the number of Shares which they have been allocated in terms of the Offer	Wednesday, 2 October
Offer price and results of Offer released on SENS	Thursday, 3 October
Last date for investors to make payment in respect of their allocated Shares (12:00)	Monday, 7 October
Last day to trade <ul style="list-style-type: none"> - Ordinary Shares under the CTSE ISIN: ZAE400000143 and CTSE Share Code: 4AAVC - Class A Preferred Ordinary Shares under the CTSE ISIN: ZAE400000168 and CTSE Share Code: 4AVUMG - Class B Preferred Ordinary Shares under the CTSE ISIN: ZAE400000176 and CTSE Share Code: 4AVBAM - Class C Preferred Ordinary Shares under the CTSE ISIN: ZAE400000192 and CTSE Share Code: 4ACOF 	Tuesday, 8 October
Suspension of trading and closing of the register on the CTSE for dematerialisation and/or rematerialisation of shares and removal	Wednesday, 9 October
Record date for the Delisting of Altvest from the CTSE	Friday, 11 October
Delisting of Altvest from the CTSE	Friday, 11 October
Listing of Altvest on the AltX at the commencement of trade on	Monday, 14 October

Notes:

1. The above dates are subject to change. Any such change will be announced on SENS.
2. All references to dates and times are to local dates and times in South Africa.
3. **Investors should note that payment will follow a T+7 settlement process (and not T+1), such that the last day for investors to make payment for their allocated Shares is Monday, 7 October 2024.**

Copies of the Prospectus may be obtained during normal business hours, by prior arrangement, from the registered office of Altvest (Block B, 66 Rivonia Road, Chislehurst Sandton, 2196) and from the offices of Questco (Ground Floor, Block C, Investment Place, 10th Road, Hyde Park, 2 196) from the date of issue of this Prospectus until the date of Listing (both days inclusive). A copy of the Prospectus will also be available on Altvest's website (<https://altvestcapital.co.za/altvest-capital/>).

Sandton

10 September 2024

Corporate Advisor and CTSE Transaction Issuer Agent



Legal Advisor



Independent Reporting Accountants and Auditors



Bookrunner

