



PLANE TREE CAPITAL

THRIVING IN THE REAL WORLD

Who we are

- Plane Tree Capital (“PTC”) is a Cayman listed private credit fund with a focus on shorter term credit, known as trade finance.
- Experienced management team from financial and trade backgrounds with over 50 years experience.
- We aim to deliver steady gross yields of between 10%-13% with an emphasis on low volatility and capital protection.



Our Leadership Team

Richard Hart - CEO

Richard holds a B.Bus.Sci in Finance and Economics specialising in international trade. After spending 13 years as a commodities and mining analyst with tier 1 global investment banks, Richard joined Challenger Trade Finance Fund as an equity partner in 2017. His experience gained as an analyst allows Richard to understand and manage shifts in commodity markets for live funded transactions. Richard then co-founded Plane Tree Capital in March 2021.



Duncan Potts – CFO

Duncan is a qualified CA(SA) and a CFA charter holder. He spent 2 years in London and Amsterdam working in financial services prior to returning to South Africa. Duncan joined Challenger Trade Finance Fund in 2017 and was instrumental in growing AUM from 17md when he joined to USD 60md at its peak. Duncan managed a significant portion of the book and worked in all facets of the business including finance and capital raising. Duncan then co-founded Plane Tree Capital in March 2021



Stephen Barritt – CCO

While completing his qualification of BCom Financial Management, Stephen undertook varying jobs in the motor vehicle industry. Since 2006 he has been involved in a private company, trading and distributing agricultural commodities between Asia and Africa, as Managing Director. Stephen is also responsible for the management of several listed and unlisted investments held by his family office. Stephen then co-founded Plane Tree Capital in March 2021



What We Do

- We offer direct loans to established companies to grow their business.
 - These loans are offered to a portfolio of borrowers who trade in a portfolio of diversified commodities.
- We primarily use the products in each transaction as collateral to secure the transaction.
 - Additional security, in the form of guarantees and credit insurance are used at times to provide further security.
- Transactions are self-liquidating.
 - We fund specific transactions. Once a transaction ends, Plane Tree Capital is repaid, and we decide whether to re-invest or not.
- We facilitate global trade in a simple and secure way.



Credit Investment Landscape

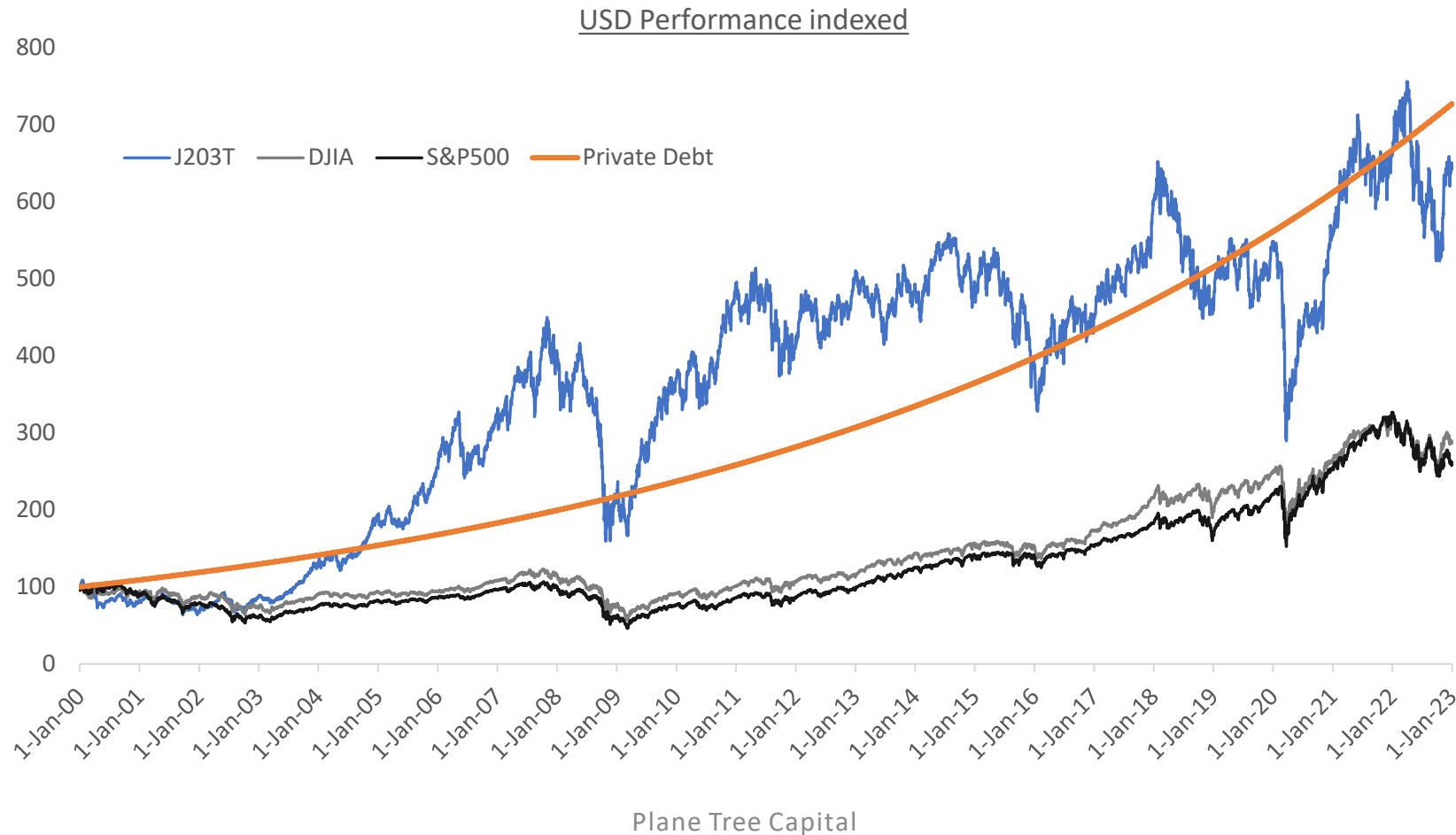
- Investors choose between myriad investment offerings within private and listed fixed income products.
- As a unitranche private credit product, Plane Tree Capital offers favourable returns.

Characteristic	Private Credit	High Yield Bonds	Senior Bank Loans
Instrument	Direct Loans	Bonds (Securities)	Loans
Coupon Structure	Mainly Floating	Fixed Rate	Floating Rate
Prepayment Option	Yes, Often with penalties to the borrower	No	Yes
Liquidity	120 days	30 days	90-360 days
Strategy	Active sourcing then buy and hold	Active portfolio management	Active portfolio management
Typical positions per fund/portfolio	15-30	80-120	100-150
Market Volatility	Low	High	Moderate
Target Gross Returns	Unitranche 10-13% Mezzanine 12-16%	6.5 - 8.5%	4.0 - 6.5%
Recovery in Default	Secured	Unsecured	Secured



Private credit strategy vs other asset classes

- Private credit returns are comparable to international equity returns over the last 22 years but with much lower volatility.
- Private credit investments rank higher in terms of security compared to equity.



Our Opportunity

- Banks have historically funded global trade.
 - As a result of developments in global banking regulations, most banks have considerably reduced or removed their trade offerings.
 - Banks are unable to allocate the required resources to trade facilities as they are generally not core business.
- Non-bank Financial institutions (Such as Plane Tree Capital) have taken advantage of this shortfall in credit offerings to pick great quality clients that are no longer serviced by conventional banks.
- Private credit offers investors reasonable liquidity (120 days) while still offering a competitive net return.
 - Investors can withdraw their earned interest (as well as their principal if they wish) on a regular basis (quarterly).
- **Private credit is uncorrelated to equity markets.**

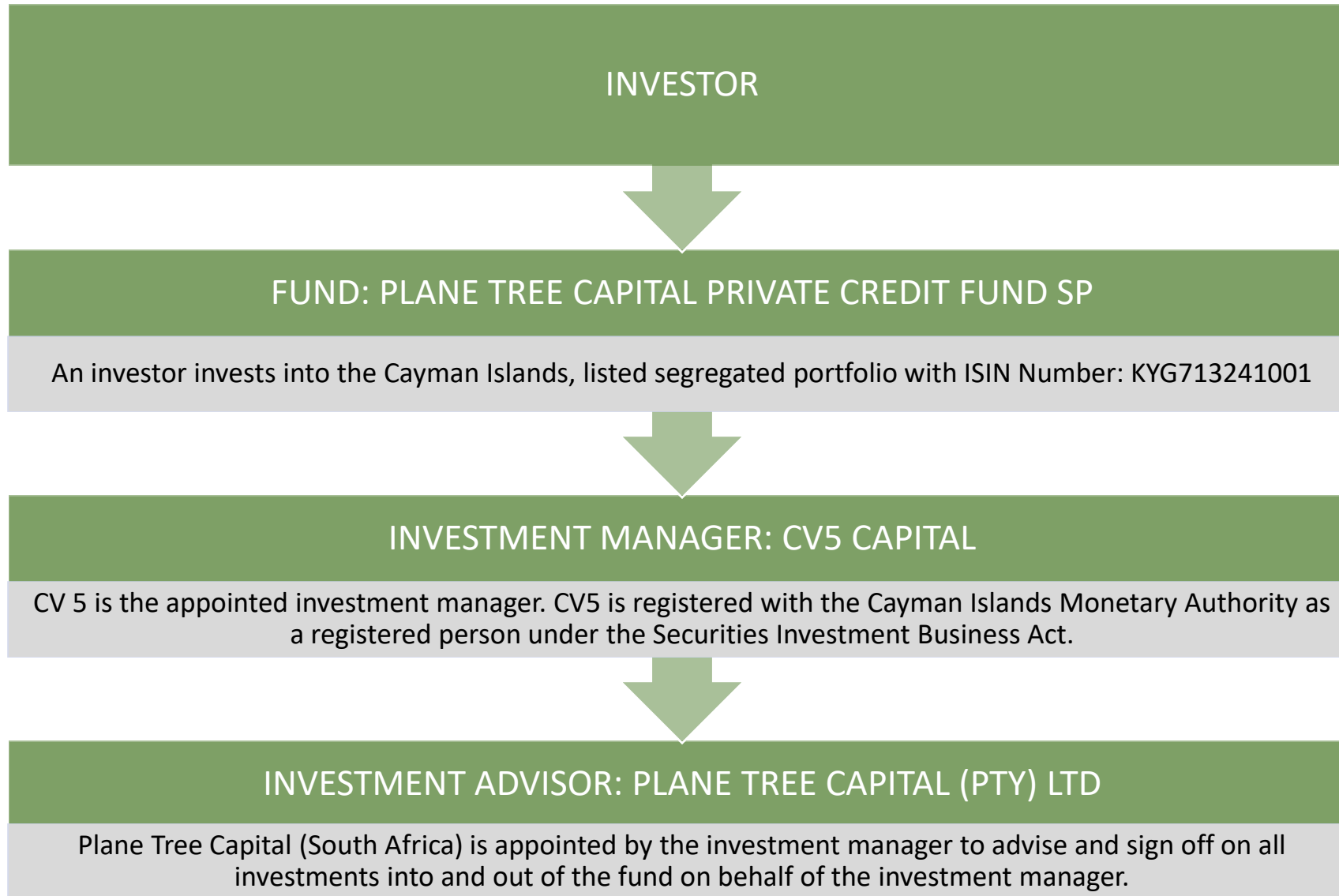


How Are We Different?

- Our lower fee structure allows us to construct a portfolio of lower yielding, but lower risk deals, while still giving investors an attractive net return.
- Our attention to detail on the key transition points of each transaction positions us well to take action early.
- By partnering with our investors, we aim to close the information gap between investors and fund managers. Investors should know where their money is, in real-time.



Our Structure



Plane Tree Capital – The numbers

- Target unleveraged net return of 8% - 10% per year in USD.
- Fee Structure:
 - 1% per year Management Fee.
 - 20% Performance Fee after achieving hurdle of 4%.
- Capital to follow a 120-day liquidity cycle.
 - Investor gives 90 days notice and funds are repaid within 30 days after 90-day period.



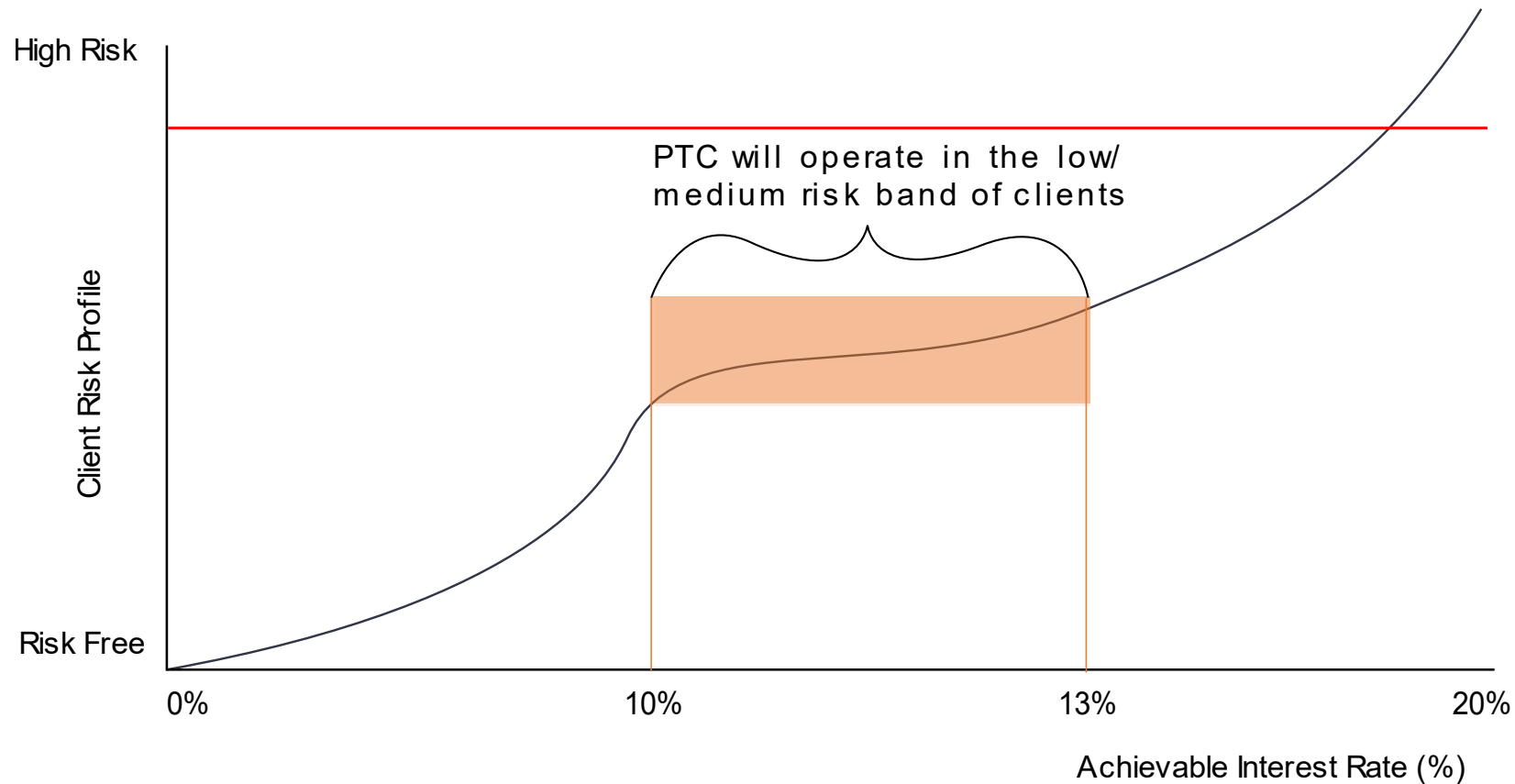
Client/Deal Profile

We target high quality borrowers and deals



Risk profile

- We are targeting a low to medium risk borrower base borrowing at between 10-13% in USD.
- Experience has shown that borrowers in higher brackets (14%+) have resulted in exponentially higher default rates.



Client and Deal Selection

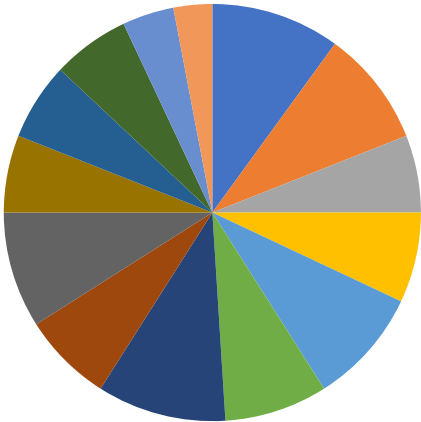
- Deals
 - Self-liquidating
 - Primary security paramount
 - African exports
 - Minimal manufacturing/delivery risk
- Commodities
 - Will evaluate each commodity on its merits
 - Selective exclusions
 - Political crops with caution
- Geographies
 - Agnostic
 - Specific exclusions for sanction regions
 - Strong legal systems are key
- Client Criteria
 - Integrity
 - Proven track record
 - Client wanting to grow not survive
 - Invested clients
 - Clients we would invite to dinner
 - No PTC insider connected loans



Portfolio approach

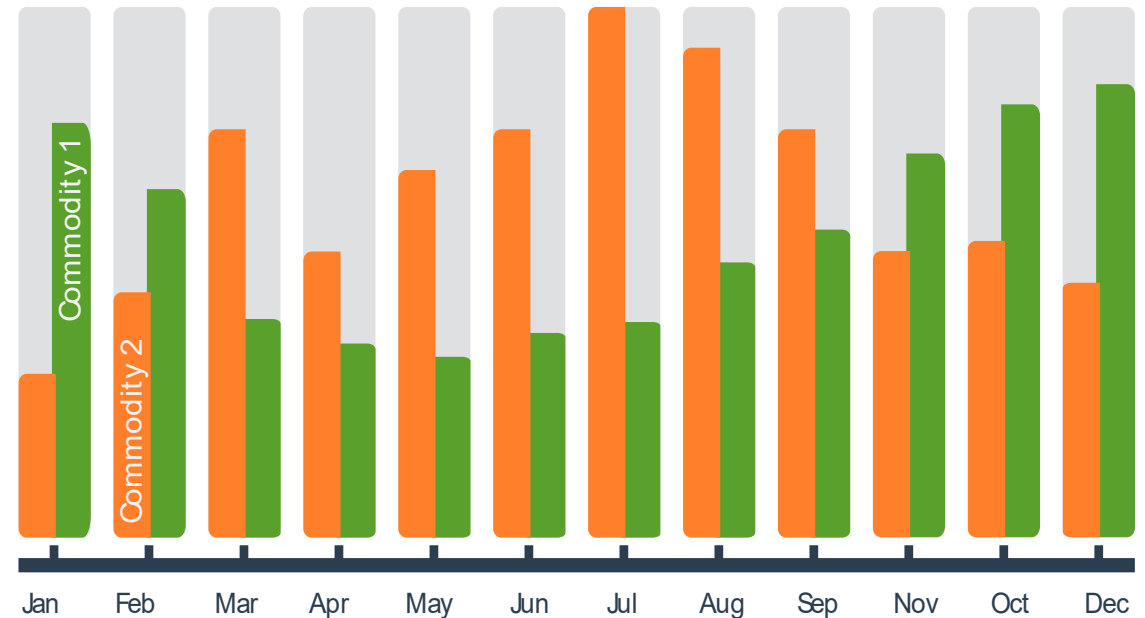
- Matching complimentary clients' cashflows reduces cyclicalty and seasonality.
- Portfolio of smaller loans reduces single client and market risk.
- Mandate restricts exposures.

Portfolio of client loans reduces concentration risk



Client 1 Client 2 Client 3 Client 4 Client 5 Client 6 Client 7
Client 8 Client 9 Client 10 Client 11 Client 12 Client 13 Cash

Managing cyclicalty by commodity diversification



Predefined Deal Milestones Tracked

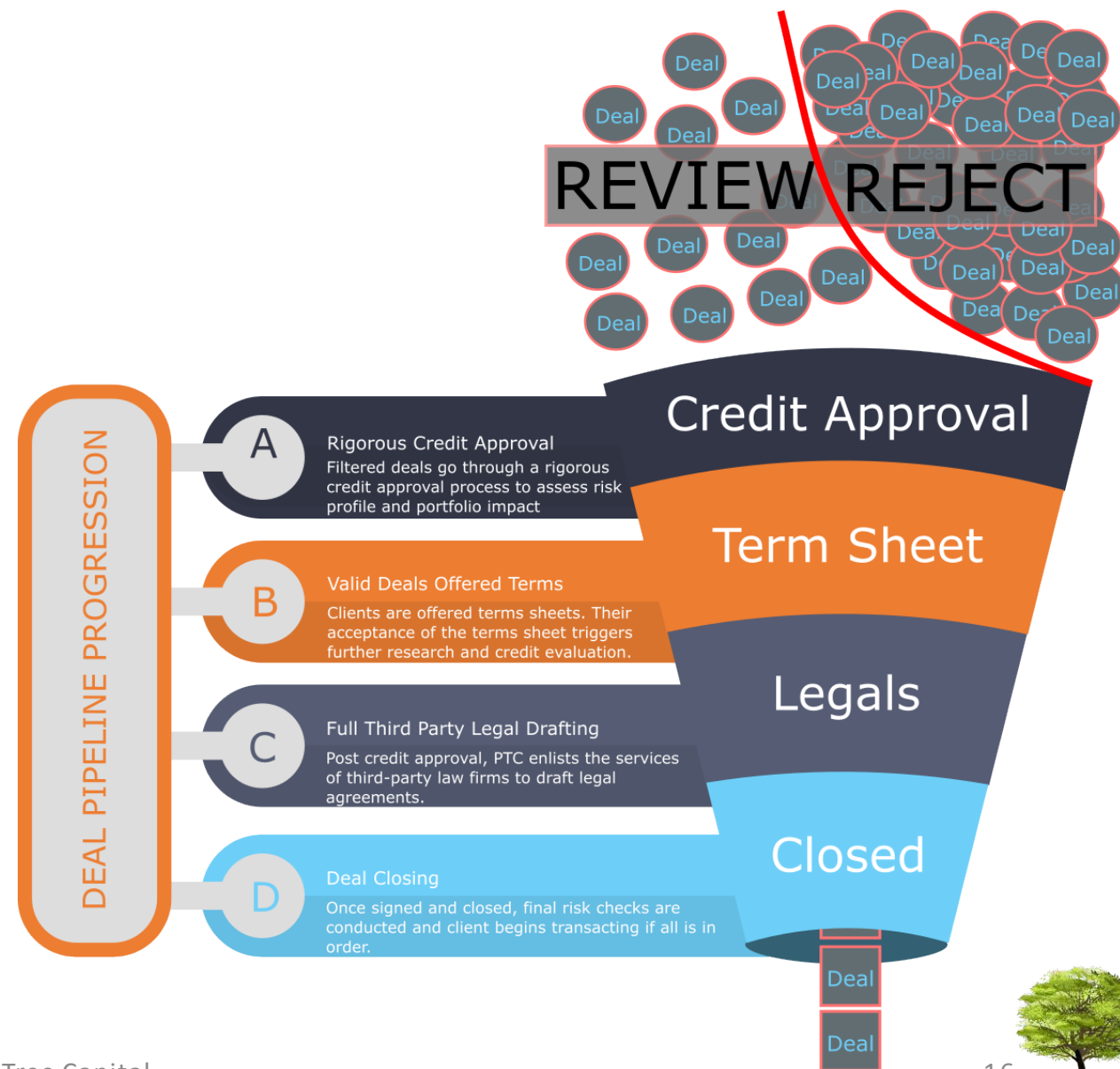


Stage	Detail	Risk Level
Cash	Cash is deployed into a PTC controlled bank account	Zero risk as PTC can pull the cash back at any point
Supplier	Supplier is paid for finished goods	Medium risk as product is only starting logistics leg
Transit From	PTC logistics partner collects and transports goods to independent warehouse	Low/Medium risk as PTC holds title over goods but they are on the move.
Warehouse	Goods arrive at our partners warehouse and stored before shipping	Low risk as logistics partner holds product in secure warehouse.
Transit To	PTC logistics partner collects and transports goods to final customer	Low/Medium risk as product is on the move. Value is higher now as product is being delivered.
Delivered	Goods are delivered to final customer	Low risk as customer has accepted quality of goods and processed payment through banks.
Closed	Customer repays our client into the PTC controlled bank account. PTC withdraws our principal and interest and pays profit to client.	Zero risk as funds are in PTC bank account.



Process

- All potential clients and transactions follow a rigorous credit evaluation process.
- By applying a rigorous first stage filter, most poor deals are excluded from a full evaluation.
- Applicants undergo an onerous credit evaluation process to ensure viability of security.
- Deal is then looked at independently to be evaluated on its merits.
- Primary security is always sufficient to cover the principal loaned amount plus interest.
- Secondary security ensures borrowers are disincentivized from any malfeasance.

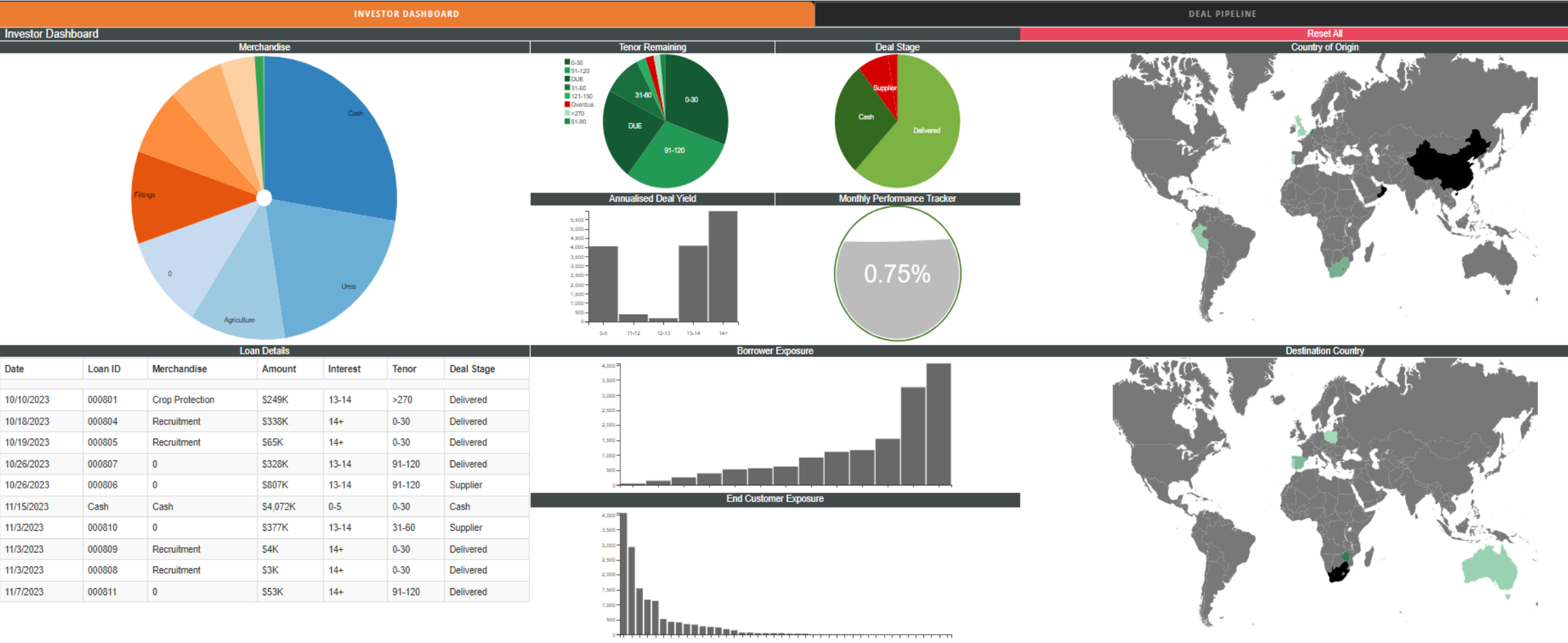


Auditable Processes

Using technology to provide transparency



Complete Transparency



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Plane Tree Capital



Conclusion



Conclusion

- We are a young fund but not a new team.
 - We have worked together for over 6 years and collectively have over 50 years experience across multiple industries.
- We are fully invested in our own product.
 - Our family and friends make up just under 10% of our current deployed capital.
- We are keeping things simple.
 - We are not chasing high-yielding deals and finding clever ways to deal with risks later on. Rather we are deploying capital responsibly and cutting our fees, so our investors don't pay for it.



Contact Us

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Disclaimer

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Forward pricing is used. Commission and incentives may be paid and if so, are included in the overall cost. Fluctuation or movements in exchange rates may cause the value of the underlying investments to go up or down. Share prices are calculated on a net asset value basis and brokerage, marketable securities, tax, auditor's fees, amongst others, may be levied against Plane Tree Capital.

