

Altor AltFi Income Fund Performance <i>(includes capital and income)</i>	Quarter	1 Year	3 Year (p.a.)	5 Year (p.a.)	Since Inception ¹ (p.a.)
Altor AltFi Income Fund (Net)	2.17%	15.53%	11.15%	12.02%	11.65%
Benchmark (RBA Cash Rate + 6%)	2.61%	10.91%	9.19%	8.09%	7.99%
Outperformance	-0.44%	4.63%	1.96%	3.93%	3.66%

Manager Update

Altor Credit Partners Pty Ltd, the manager (“**Manager**”) of the Altor AltFi Income Fund (“**the Fund**”) is pleased to report that the Fund delivered a return of **2.17%** (after fees) for the September 2024 quarter.

During the first quarter of FY25, the Investment Team concentrated on negotiating and conducting due diligence on a number of existing and potential investment opportunities.

Of these:

- The Fund is nearing completion of a management buyout of a ground improvement contractor (more details on the following page).
- A term sheet has been executed for a second investment, and due diligence is underway for a growth capital facility for an energy analytics and weather monitoring business.
- As mentioned in the last quarterly update, the Investment Team had been working on an acquisition for portfolio company EII Group. Following an initial review, the investment proposal was withdrawn due to lower-than-expected asset valuation and financial performance of the target company. Nonetheless, EII Group’s strategic expansion continues and the Investment Team continues to work with EII Group’s management team in identifying new acquisition opportunities.

In portfolio company developments:

- Synertec (SOP:ASX) has drawn \$3.5 million in capital to fund the construction of additional Powerhouse units, along with general working capital requirements.
- OnSpec is performing well and advancing its wireless gauge strategy. The company is pursuing some exciting strategic initiatives and the Investment Team looks forward to providing updates in the coming quarters.
- EnergyBuild has seen an acceleration in order intake, leading management to believe the company has reached the bottom of its volume ramp.

Altor Capital thanks all investors for their continued support and look forward continuing to provide a stable income source and additional returns through attaching equity instruments.

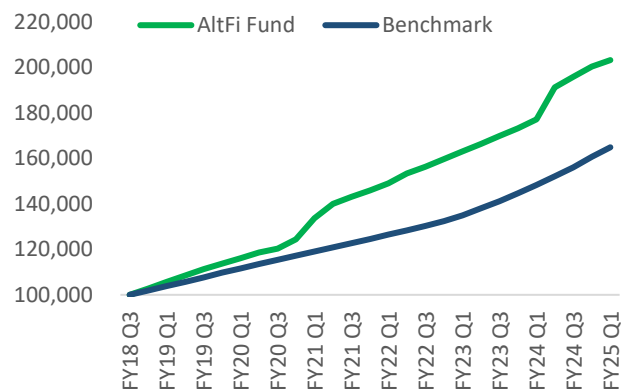
Summary

- The Fund offers a return-maximising fixed income strategy with a target distribution rate of 10% p.a. after fees through-the-cycle
- September quarter return of **2.17%** (after fees).
- Unit Price as at 30 September 2024: **\$1.1094**
- Since inception, the AltFi Fund has delivered investors with a **11.65% p.a.** return net of fees.
- The portfolio is well positioned having positions in industries which offer defensive characteristics.

Fund Overview

Fund Manager	Altor Credit Partners Pty Ltd
Issuer	Altor Capital Management Pty Ltd ATF Altor AltFi Income Fund
Investors	Restricted to wholesale, professional and sophisticated investors
Style and Risk Profile	Return-maximising fixed income strategy through private credit investments.
Fees	1.5% mgt. fee with 10% performance fee over benchmark (subject to HWM). Nil entry fee; 2% withdrawal fee if redeemed in the first 24 months.
Benchmark	RBA Cash Rate + 6%
Minimum Investment	\$100,000; \$10,000 increments thereafter
Research	Fund Monitors - Commended
Platforms	Macq Wrap, BT Panorama, Netwealth, HUB24, Powerwrap/Praemium, AMM

Growth of \$100,000 Since Inception^{1, 2, 3}



(1) 1 April 2018; (2) Performance shown net of fees with distributions reinvested. Does not take into account any taxes payable by an investor. (3) Past performance is not an indicator of future performance. Performance may not add due to rounding.

Portfolio Opportunity: Ground Improvement Contractor

\$7.5m Senior Secured Management Buyout

The potential borrower is an engineering company that specializes in permeation grouting, slope stabilization, and geotechnical drilling services.

The company benefits from a strong Tier 1 customer base, including global mining companies, infrastructure developers, and Australian municipal councils.

Subject to finalizing due diligence, the Fund will structure a facility to acquire 100% of the business and fund key management and advisers into an equity position, alongside the Fund.



Slope Stabilisation at Clareville Beach

Investment Thesis

- Proven Track Record & Tier 1 Client Base:** serves a robust portfolio of clients, including leading global mining companies and Australian councils, ensuring a steady pipeline of projects and repeat business.
- Strong Financial Performance:** strong EBITDA margins (~30%+ in FY22-FY24), supported by a forecasted revenue increase in FY25.
- Strategic Positioning in High-Growth Markets:** well-positioned to capitalize on record infrastructure spending in NSW and Queensland, driven by major government projects and a focus on mine remediation and clean energy transitions.
- Expanding Revenue Visibility & Growth Prospects:** with 65% of FY25 revenue already contracted and a strong FY26 pipeline, the company's established client relationships and investment in additional crew provide a clear path to growth.

High Level Terms

Facility Size	Up to \$7.5m (\$4.5m acquisition, \$3.0m working/growth capital)
Interest Rate & Fees	10.0% p.a. + 3M BBSW; 1.0% facility fee
Security	Senior secured, first ranking
Term	4 years
Equity	Attaching Equity
Board Rights?	Directorship in business

Portfolio Company Investment: WT Financial (ASX:WTL)

\$6.7m Senior Secured Facility

WT Financial Group Ltd (ASX: WTL) is a diversified financial services company, specialising in business to business (B2B) financial advice.

Since 2018, the company has successfully implemented a transformational strategy to pivot from business to consumer (B2C) offerings, to the less cost intensive business to business (B2B) financial services. Through previous earnings accretive acquisitions, the company now provides a comprehensive suite of B2B financial services.

WT Financial had a solid FY24, with NPBT up more than 50% for the fourth straight year.

Revenue increased 15.5% YoY, EBIT was up 41.5% YoY, and the company had a solid cash position of \$8.1 million at year end, a 51% uplift from the previous year.

The Board declared a fully franked dividend of 0.5 cents and reinstalled its policy to pay dividends biannually, signalling long-term confidence in the business.

High Level Terms

Facility Size	Up to \$6.7m (2 tranches fully drawn)
Interest Rate	9.5% p.a.; 1.0% facility fee
Purpose	Acquisition funding & repayments
Security	Senior secured
Term	4 years, bullet repayment at maturity
Attaching Equity	1.5m options with 4 years until expiry

AltFi Application Link

New Investors can apply for Units in the Fund by clicking the following link: [Altor AltFi Income Fund Application Page](#)

Existing Investors can apply for additional Units by contacting Altor [Client Services](#)

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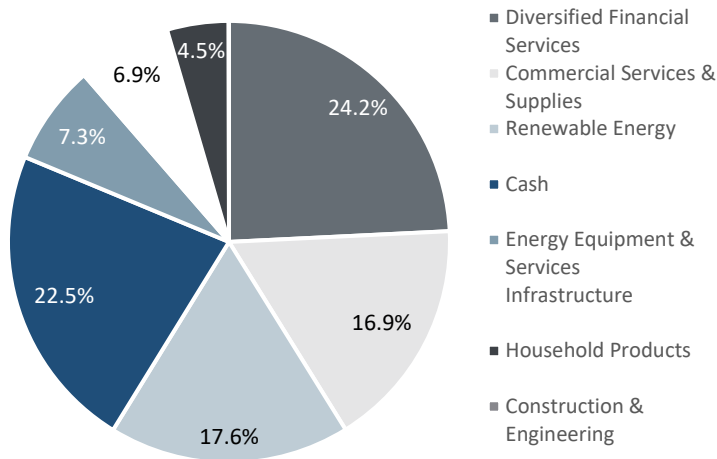


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Portfolio Characteristics

The Fund continues to have preferred exposure in infrastructure, financial services, and energy transition sectors as the Manager expects these to perform strongly over the next few years. Investment structures into these opportunities continue to follow the Altor philosophy of protecting downside. Whilst the Fund ended the quarter with a relatively high cash weighting, this is earmarked for future loans the Investment Team are currently progressing.

Portfolio by Industry¹



Portfolio Metrics¹

Number of borrowers	10
Average borrower balance	\$4.7m
Weighted avg. interest rate	12.2%
Avg. effective interest rate	12.5%
Weighted duration of portfolio	1.15 years

1. As at 30 September 2024

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