

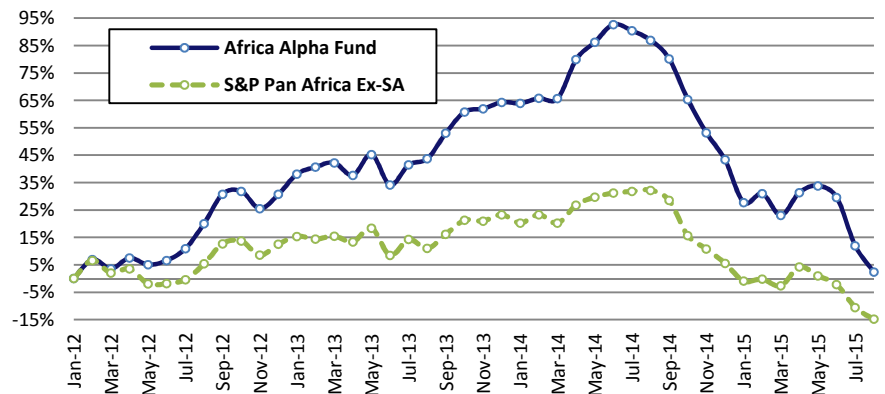
Fund Description

The Africa Alpha Fund invests in African listed equities (ex-South Africa). The fund aims to outperform the African markets using bottom-up research process with an emphasis on detailed, company-specific due diligence. Buy-sell discipline is led by valuation using a long-term investment time horizon. Stock selection is informed by fundamental research conducted in-situ in Africa.

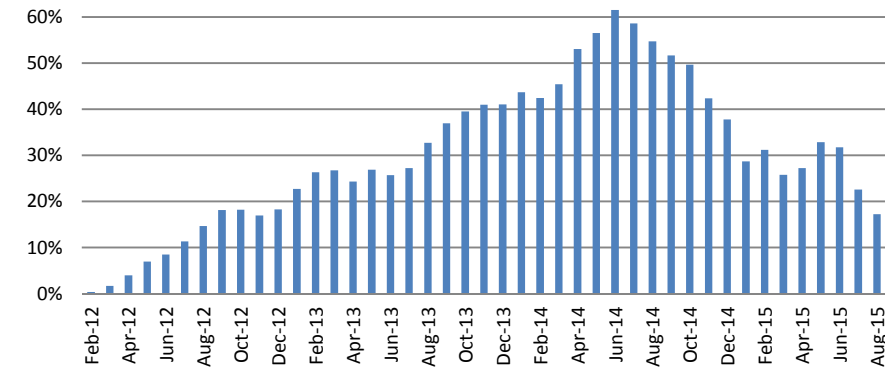
Fund Information

Launch date:	February 1, 2012
Fund AUM:	USD 66.7m
Firm AUM:	USD 106.2m
Structure:	Open-ended, Expert Fund
Domicile:	Mauritius
Regulator:	FSC Mauritius
Fund Manager:	Sustainable Capital Ltd
Administrator:	Apex Fund Services MU
Global Custodian:	HSBC Bank Ltd (MU)
Auditor:	Ernst & Young
Dealing frequency:	Monthly
Bloomberg:	SUCAFAA MP Equity
ISIN:	MU0343S00014
GIIN:	KDIPCD.99999.SL.480
Reporting currency:	USD
Base Fee:	1.5%
Performance Fee:	20% above hurdle
Total Fee cap:	4.0%
Hurdle:	SPPAXSCN Index
High water mark:	Perpetual
Crystallisation:	Annual
Contact:	info@sustainablecapital.mu

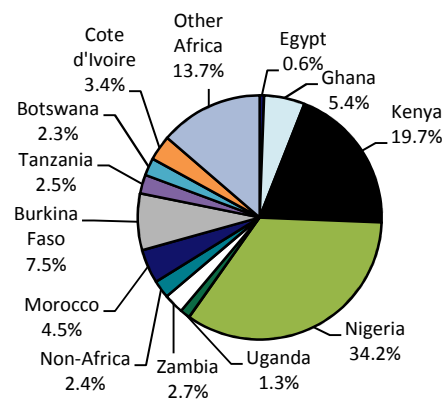
Fund Performance (USD, GIPS*, Since inception)



Cumulative Relative Performance (USD, GIPS*, Since Inception)



Geographic Spread (% Economic Footprint)



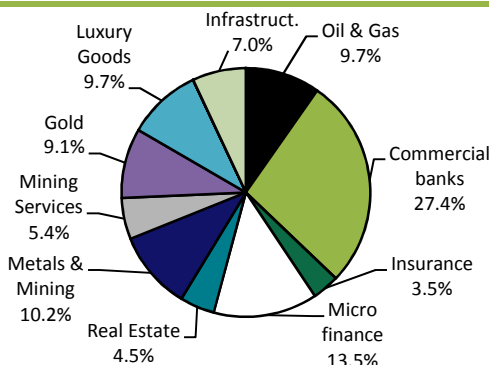
Monthly Performance (% USD, GIPS*)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Calendar
2012		6.9	-3.1	3.7	-2.3	1.5	4.0	8.2	9.0	0.8	-4.8	4.2	30.7
2013	5.6	1.9	1.1	-3.2	5.5	-7.7	5.5	1.6	6.5	5.0	0.7	1.5	25.7
2014	-0.2	1.1	-0.1	8.6	3.5	3.5	-1.2	-1.8	-3.6	-8.2	-7.4	-6.4	-12.8
2015	-10.9	2.5	-6.0	6.7	1.8	-3.2	-13.6	-8.6					-28.6

Annualized Performance (% USD, GIPS*)

	-1 yr	-3 yr	-5 yr	Since Inception
Africa Alpha	-45.2	-5.2	n.a.	0.7
S&P Pan Africa Ex-SA	-35.6	-6.9	n.a.	-4.4
Relative Perf.	-9.7	1.7	n.a.	5.0

Sector Spread



Relative Risk and Return (USD, GIPS*, Since Inception)

Benchmark	S&P Pan Africa ex-SA Capped
Portfolio Beta	0.95
Correlation	0.70
Tracking Error	10.0%
Information Ratio	0.51
Relative Downside Std. Deviation	6.1%
Sortino Ratio	0.83
Stock Picking Alpha (% of total alpha)	33%

Fund Manager Comments

Access Bank, which is currently the largest holding of the Africa Alpha Fund has announced its half-year results for 2015 and the outcome of its rights issue, which has now received Central Bank approval.

Rights issue outcome: Access Bank secured a rights take-up of 79.3% at a price of N6.90 per share (1 right was offered for each 3 ordinary shares held). At the time of the rights expiry, the rights price was already trading at a significant premium to the market price and there had consequently been widespread speculation that the rights issue would fail. Against this backdrop, the result is a very positive outcome, as the cash has been raised at a significant premium to the current share price (even though it was raised at a discount to book value, which is clearly not optimal in an ideal world). To put this in context, Access Bank has raised N41.71bn from the rights issue, which represents 33% of the company's current market value. This provides the company with a strong capital buffer at a time when the industry is under pressure, which leaves Access Bank well-positioned for further growth within the regulatory environment for banks in Nigeria, which calls for a minimum capital adequacy ratio for tier-1 'systematically important' banks of 16.0%. Post rights, Access Bank will have comfortable headroom over level as their CAR pre-rights for half-year 2015 was 19.0% (up from 18.4% in Dec-14), a position that we expect to strengthen to 22% post-rights by year-end.

Half-year results: Access Bank chose to have their interim results audited under IFRS, which has the practical implications that we can rely on these results more than usual and that the company can include the retained equity in their reserves from a regulatory perspective. Profit after tax grew 39% and EPS by 33% to N1.35/sh, which puts the company on an annualised PE ratio of 1.6 (an investment in Access Bank is paid back in less than 2 years of current earnings). Shareholder's equity grew by 9% to N13.1/sh, which means that Access Bank is trading at a PB ratio of 0.33 (a 67% discount to its book value). An interim dividend of N0.25/sh has been retained, which gives a signal of management's confidence in the balance sheet (this provides shareholders with a cash dividend yield of 5.8% based on the interim dividend alone - assuming a flat full-year dividend of N0.60/sh implies a cash dividend yield of 14.0%). ROA expanded to 3.5% (from 2.8% the year before) and ROE has grown to 21.6% (up from 18.3% in 1H14). Revenues grew by 42% yoy for 1H15, operating income +42% and PBT by 44%. Opex grew by 33% yoy, which will be an area that we aim to understand better when we interact with management. The big positive surprise came in the form of non-interest income, which grew by 101% (to N69.4bn, which is 59% of total operating income), driven mostly by net gains in swaps and derivatives (mainly due to gains from currency positions, with potential for gains from any further currency weakness). Loan growth was 14%, supported by deposit growth of 13%, which is well ahead of the industry average and leaves Access with a comfortable loan to deposit ratio of 72.8%. Interest income grew by 18% but net interest income was down 1% due to a higher cost of funds. The net interest margin compressed to 5.6% in 1H15 from 6.9% in 1H14, due to cost of funds increasing by 1.0% to 5.3% (although most of this is regulatory driven, we were expecting a slightly better performance on this metric). Blended yield increased marginally to 11.9% despite the company's shift into higher quality (lower yielding) loans and a high proportion of USD loans (43% of total loans). Asset quality measured by gross NPL ratio has improved to 1.8% (from 2.2%) and importantly, the book is well provisioned with a coverage ratio of 175% (up from 154% at year-end 2014). Cost of risk has increased by 0.7% to 1.1%, with impairment charges up 179% off a low base (mostly driven by collective impairments). Operating efficiency improved, with the cost to income ratio declining to 59.2% from 63.1% in the prior year.

Comment: Overall, a very strong set of results from Access Bank. Fundamentals suggest that Access should be trading at a PB ratio of at least 1.5 (4.5 times the current level of 0.33).

The information contained herein does not constitute an offer to sell or the solicitation of an offer to purchase the Sustainable Capital Africa Alpha Fund (the "Fund"). Any such offer or solicitation may only be made by means of delivery of an approved confidential offering memorandum that contains material information not present herein and which supersedes this information in its entirety. Any offer or solicitation pursuant to such memorandum shall only be in those jurisdictions where permitted by law. The shares in the Fund have not been registered under the U.S. Securities Act of 1933, as amended ("the 1933 Act"). Accordingly, the offer and sale of any of the shares of the Fund is not permitted in the United States except pursuant to an exemption from registration under the 1933 Act and other applicable U.S. federal and state securities laws, rules and regulations. Any decision to invest in the Fund or any other strategy managed by Sustainable Capital should be made after reviewing such definitive offering memorandum, conducting such investigations as the investor deems necessary and consulting the investor's own investment, legal, accounting and tax advisors in order to make an independent determination of the suitability and consequences of an investment.

*Sustainable Capital claims compliance with the Global Investment Performance Standards (GIPS) and has prepared and presented this report in compliance with the GIPS standards. Sustainable Capital has not been independently verified.