

ADVANCE GLOBAL CAPITAL'S GLOBAL SME GROWTH FUND

A Private Debt Fund available through the Venture Impact Program



Photos courtesy of Advance Global Capital

SUPPORT GENDER EQUALITY AND ECONOMIC GROWTH THROUGH SME FINANCING

Small and medium enterprises (SMEs) are economic engines, accounting for about 90% of businesses and more than 50% of employment worldwide. In emerging markets, SMEs generate 7 out of 10 jobs¹. However, access to finance is a key constraint to SME growth, particularly in emerging markets. This is particularly true for women-owned businesses that have historically faced the greatest structural barriers to accessing traditional finance, resulting in a \$1.7 trillion shortfall in access to credit for women in emerging markets alone.

Advance Global Capital's (AGC's) Global SME Growth Fund LP2 puts capital to work in underserved communities worldwide by financing SMEs that lack sufficient access to credit and need it to thrive. By focusing on the 65 million credit-constrained businesses throughout developing countries, the fund seeks to strengthen local economies and reduce poverty by supporting job creation and economic growth. The IFC has identified a \$5.2T funding gap affecting SMEs in emerging markets. To reach underserved markets and address this gap, AGC's Global SME Growth Fund aims to provide revolving credit facilities and term loans to local financial institutions that provide local and export invoice discounting and supply chain finance. The fund specifically targets women business owners, with half of all receivables financed by the fund issued by women-owned or managed businesses.

Through its Global SME Growth Fund, AGC seeks to ultimately build a stronger, more inclusive global financial ecosystem. The fund is targeting net returns of 5-7% per annum, with low volatility and low correlation to equities and bonds. As of September 2023, the fund has yielded an average annual return of 6.11%.³ AGC's Global SME Growth Fund is a compelling fit for investors looking for a short- to mid-term opportunity to invest in a private debt portfolio focused on building strong SMEs and local economies in developing markets, with an emphasis on women business owners.

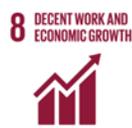
ABOUT ADVANCE GLOBAL CAPITAL

Advance Global Capital (AGC) is an institutional impact investment manager founded in 2012 with a central mission of supporting local, responsible and inclusive economic growth by financing underserved businesses. Headquartered in London, AGC provides financing to SMEs throughout the world, with more than half of funding directed to women-owned and managed businesses. AGC is driven by its belief that SMEs are vital to strong local economies and the reduction of poverty worldwide. To date, AGC has provided close to \$7 billion in financing to nearly 45,000 SMEs across 65+ countries. Since inception to 2022, AGC has supported over 2 million jobs and created around 450,000 jobs. As of September 2023, AGC reported total assets under management of \$161 million. AGC is a signatory of the UN-supported PRI, a member of GIIN, and was named an IA 50 fund manager 2019-2023. AGC has also recently become compliant with Article 9 of the EU SFDR disclosures.

ABOUT THE VENTURE IMPACT PROGRAM (VIP)

VIP is an innovative way for MCF donors to engage in impact investing through philanthropy. Via a partnership with ImpactAssets — a market leader in impact investing — VIP enables philanthropic dollars to be directed towards both non-profit and for-profit companies that are seeking to make positive social or environmental impact.

For further information, contact Safia Kryger-Nelson at MCF, 415.464.2515 or skryger-nelson@marincf.org.



¹ The World Bank

² Advance Trade Growth Offshore Fund, Ltd. is a Cayman feeder fund. The fund will invest its assets in and conduct its investment and trading activities through Global SME Growth Fund LP, the Master Fund.

³ Past performance is no guarantee of future results.

ImpactAssets		RISK RETURN MATRIX		
RISK LEVEL	HIGH RISK			
	MODERATE RISK			X
	LOW RISK			
		NON-MARKET RATE	NEAR-MARKET RATE	MARKET RATE
RELATIVE RETURN				



ImpactAssets		FUND SUMMARY
ASSET CLASS	Private Debt	
TARGET FUND SIZE	Up to \$500M	
TERM	Evergreen	
TARGET RETURN	5-7% net return per annum to investor	
LIQUIDITY	Quarterly with 90 days' notice	
GEOGRAPHY	Global	
IMPACT AREAS	Financial Inclusion, Gender Equality	
ASSET CLASS	Private Debt	
INVESTMENT MINIMUM	\$25,000	
FUND MANAGER FEES	<ul style="list-style-type: none"> 1.40% management fee 10% performance fee subject to 3.0% hurdle with high water mark 	
INVESTMENT FEES	This investment recommendation will incur an additional fee of 0.40%.	
INVESTMENT THESIS	<ul style="list-style-type: none"> Provides financing to factoring companies which address SME needs for flexible working capital in markets underserved by banks Portfolio Details (as of Q3 2023): <ul style="list-style-type: none"> Average Tenor: 95 days Top Sectors: Construction & Engineering (15.8%), Transportation (12.5%), Professional Services (9.3%) Top Geographic Exposure: Mexico (17.4%), United Kingdom (14.0%), Colombia (11.4%) 	
IMPACT THESIS	The Global SME Growth Fund aims to finance the growth of small and medium-sized enterprises in emerging and underserved markets and support the development of local financial ecosystems. The investments provide funding that alleviates poverty, promotes gender equality, and empowers marginalized communities.	
STRENGTHS	Quarterly liquidity; large and growing market opportunity; robust pipeline of investment opportunities; strong risk-adjusted net returns with an average annualized return of 6.11% since inception; portfolio diversification	
RISKS	Emerging markets and foreign exchange risk	
ILLUSTRATIVE INVESTMENT	<p>BOTSWANA-BASED ONE SHOT MEDIA</p> <p>One example of an SME for whom AGCF's funding has helped is Botswana-based One Shot Media, a small multimedia business that creates projects for Botswana Television (BTV), the nation's first-ever broadcasting service. The company filmed a significant project for BTV titled 'Pregnancy Coach,' a twenty-four minute and twenty-six-episode series discussing fetal development, exercising, and health and nutrition. The series is a valuable tool that addresses the needs and challenges faced by women, especially those that are young and unmarried, to help navigate pregnancy in Botswana. The quick access to working capital through AGC's partner not only enabled One Shot Media to successfully bring their film project to life, but also generated employment opportunities within Botswana's creative sector.</p>	

There is no guarantee that any projection, forecast or opinion around any given investment will be realized with respect to impact, performance or liquidity. Past performance does not guarantee future results.

LEGAL AND PROGRAM DISCLAIMER: This is not a solicitation to buy or sell securities, nor a private placement offering pursuant to any private placement memorandum that must be issued to qualified investors. It is an informational description of charitably oriented, social purpose investment options that have been approved by ImpactAssets only for use by its donors. Any allocation to private debt and equity investment options may result in losses and illiquidity that will be borne solely by each donor advised fund account with investment in these options, as will associated program fees. Investment minimums apply. The Fund Manager has not approved the information contained in this Fund profile, including the assignment of risk ratings contained herein.