

Factsheet

7.5%- 11.5% p.a. 1-6 year eNote™ on ALTERNATIVE Launch: 2025

This Fact Sheet is a summary of the terms and counterparties involved with the product. The information in this document alone should not be relied upon for making investment or purchasing decisions and investors should seek professional financial advice. This document should be read together with the Issuer's relevant offering documentation.

Product Details

Issuer	ALTERNATIVE
Industry	Micro Finance
Jurisdiction	Luxembourg
Issuance type	eNote™ (Polygon / BASE)
Issuance amount	up to USD 10,000,000
Settlement currency	EURC
Denomination	10,000
Coupon gross rate	7.5% p.a. for 12 month tenor
Coupon frequency	Quarterly
Tenor	12 - 72* months (Puttable - ask for pricing)
Rating	B+ (Credora Rating Agency Equivalent)
Debt type	Asset backed

Investments into the bonds are subject to an investment fee as indicated on [Obligate's investor fee overview](#).

Deal Details

ALTERNATIVE, a Mikro Kapital securitization fund, offers to professional and institutional investors fixed coupon, fixed maturity debt securities linked to the risks related to micro-financing.

The securitization fund invest the proceeds in its own local Portfolio Companies which provide microcredits and microloans to MSMEs and sharing economy services thus enabling access to economic growth opportunities. This model allows a full overview on the flows, from investors to end-borrower, reducing risks, optimizing the returns and eliminating costs related to intermediaries. In addition, the local presence of the MFIs, allows a constant monitor and support to the end-borrower further reducing the risk of non-repayment of the debt.

Fund AuM	EUR 297.6MM
Fund Equity	EUR 65.6MM (22%)

As of Q4 2023

Mikro Kapital Track Record

2008

Investing since

1035

Total assets
(EUR,mIn)

16

Countries

250

Portfolio
Companies and
operative offices

Highlights

- Impact investing to support the real economy (Complies with SRI principles)
- up to 11.5% p.a. yield
- Significant equity buffer >EUR 60MM
- At fund level <1% NPL
- 16-year track record, >2.3bn USD issued bonds since inception
- FX fully hedged, No leverage
- Full collateralisation of underlying portfolio
- Low correlation to other asset classes
- 0 Default since inception

Issuer Background

Founded in Luxembourg in 2008, Mikro Kapital has always believed in microfinance as a chance to invest in the real economy and the development of emerging countries small entrepreneurship, while offering investors interesting opportunities.

Microfinance is the youngest and the most appealing segment of the new finance, growing worldwide at an average rate of 15-20% yearly. In the world of Microfinance, micro-credit, or credit to micro and small entrepreneurs, represents the real tool for helping people, within the «real economy», thanks to responsible financial services, in order for them to realize their dreams and improve their own and their communities' welfare.

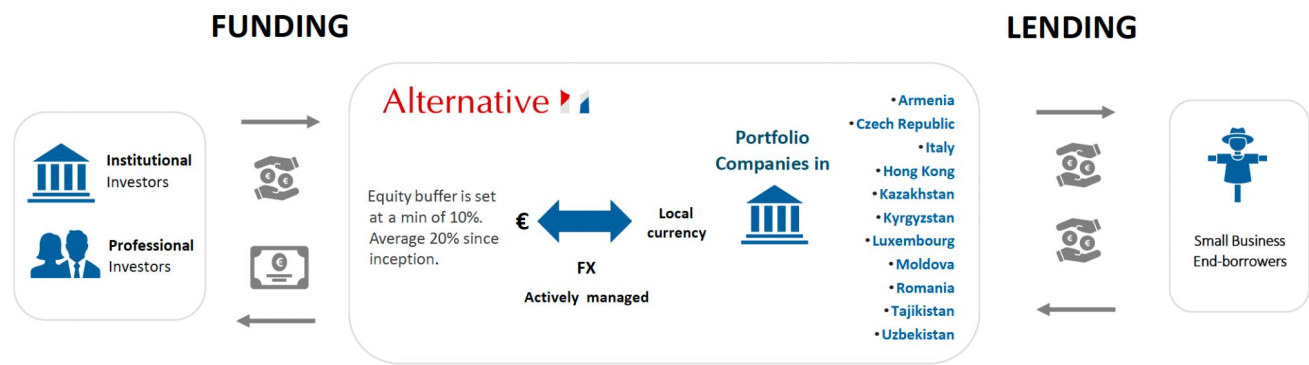
Contact

ir@obligate.com

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Transaction Flow



Social Impact



Partnerships & Memberships



Governing law of the issuance agreement

The eNotes™ and any non-contractual obligations arising out of or in connection with them will be governed by and construed in accordance with Swiss law and are subject to arbitration.

Restrictions

These eNotes™ may not be offered or sold in the United States or to US Persons as well as to residents of countries on sanctions lists. Only identified and verified clients of Obligate can claim payments from eNotes™

Documentation and Due Diligence

Obligate conducts KYC and KYB on the Issuers for its own regulatory compliance. The financial due diligence and credit risk assessment must be performed by the investors. To facilitate this, Obligate has integrated credit information scores directly provided by Credora. Based on those, each Investor must review the borrower and its risks before subscribing to an eNotes™. In case of a secured issuance, this also refers to the validity and valuation of any collateral provided. Any liability of Obligate for assessing the issuer, the collateral and/or the financial risk is excluded.

USD Coin

Known as a fully-reserved stablecoin, every digital dollar of USDC on the internet is 100% backed by cash and short-dated U.S. treasuries, so that it's always redeemable 1:1 for U.S. dollars. USDC reserves are held in the custody and management of leading U.S. financial institutions, including BlackRock and BNY Mellon. Circle is regulated as a licensed money transmitter under U.S. state law just like PayPal, Stripe, and Apple Pay. Circle's financial statements are audited annually and subject to review by the SEC.

EURC

EURC is a euro-backed stablecoin, fully backed by highly liquid fiat reserves held separately from Circle's operating funds at leading financial institutions for the benefit of the holders, that's accessible globally on Avalanche, Base, Ethereum, Solana, and Stellar. EURC is MiCA-compliant and issued by Circle under a full-reserve model. Known as a fully-reserved stablecoin, every digital EURC on the internet is 100% backed by cash, so that it's always redeemable 1:1 for Euro. Euro reserves are transparently held at regulated financial institutions in the EEA with published monthly attestations. EURC enable access to 24/7 FX markets and settled instantly. Complete information on <https://www.circle.com/en/eurc>

credora

Credora generates technology-driven credit ratings and analysis powering efficient private credit markets. Credora has issued more than 200 credit ratings, facilitating over \$1.4bn in loans over the past 2 years. Credora's methodologies generate ratings and an estimated yearly probability of default that can be benchmarked to traditional Credit Rating Agencies' ratings, enabling lenders to compare risks and make informed decisions.

Rating*	Rating Score		
BBB+	1000	B+	755-802
BBB	954-999	B	660-754
BBB-	946-953	B-	623-659
BB+	882-945	CCC+	585-622
BB	850-881	CCC	546-584
BB-	803-849	CCC-	520-545
		C	0-519

*Credit information is provided by Credora only and not endorsed by Obligate.com. No representation or warranty, explicit or implied, is given by Obligate.com as to the accuracy, reliability, or completeness of the credit information. You are recommended to seek independent legal and financial advice before taking any initiative based on the information contained herein. Credora's Rating Agency Equivalent and PD is benchmarked to S&P™ Ratings: [more information on this link](#).

obligate

Obligate is the leading platform for the issuance of blockchain-based bonds, spearheading the movement to bring Real World Assets to the Polygon blockchain. Obligate is headquartered in Switzerland.

Obligate is a technology services provider. The information set out in this document, on the website or any related documentation does not constitute an offer to buy or sell, or a solicitation of an offer to buy or sell any instruments in any jurisdictions in which such offer, solicitation or sale would be prohibited, illegal or against the laws prior to the registration or qualification under the securities laws of that jurisdiction. You are recommended to seek independent legal and financial advice before taking any initiative in connection with the information herein. Use of Obligate involves risks, including but not limited to the potential loss of assets. Before using Obligate, you should review our documentation. The protocol is provided at your own risk. We explicitly disclaim any representation or warranties of any kind relating to the protocol.

Obligate Smart Contracts have been audited by market-leading security company "Ottersec".