

Andromeda Private Debt Fund

Empowering Growth, Seizing Opportunities
Information Document

General Information

• Fund manager	Integra Private Wealth
• Banker	Banca Zarattini & Co
• Fund administrator	iFund Solutions
• Fund safekeeper	Zarattini International
• Auditors	Forvis Mazars Malta
• Type of fund	Notified PIF
• Eligible investors	Qualifying Investors
• Regulatory authority	MFSA
• Country of registration	Malta
• Strategy Inception date	April 2025

Fund Details

• Annual mgt. fee	0.25% w/€25K p.a. min.
• Performance fee	Nil
• Minimum investment	€100,000 or CCY equiv.
• NAV calculations	Semi-Annual
• Target return	Euribor 6-month +6%
• Share classes	Class A shares EUR Class A shares USD Class B shares EUR

The Andromeda Private Debt Fund seeks to deliver attractive risk-adjusted returns through a diversified approach to private debt investing, including strategies such as trade receivables securitisation, niche market lending, and principal finance transactions. The fund's Legacy Portfolio has demonstrated a consistent ability to generate income from a well-diversified asset base, supported by robust risk mitigation measures such as overcollateralisation and sector diversification. The Value Growth Portfolio is focused on higher-yielding opportunities in specialised lending and innovative financing structures, aiming to enhance the fund's overall return profile.

It should be noted that the target returns referenced by the fund are indicative and not assurances or projections of future performance. Actual returns will depend on prevailing market conditions, the performance of the underlying assets, and the effectiveness of the fund's risk management strategies.

Fund Overview

The Andromeda Private Debt Fund is a newly launched investment vehicle designed to provide access to alternative credit markets. The fund focuses on private debt opportunities, including middle-market direct lending [through participation in select instruments and/or companies engaged in such activity], mezzanine financing, real estate transactions, and niche industry investments. By leveraging a diversified portfolio and robust risk management, the fund aims to deliver attractive risk-adjusted returns while addressing the growing demand for non-bank financing solutions.

Key Features

FUND PHILOSOPHY

- **Empowering Underserved Markets:** Targeting SMEs and niche sectors often overlooked by traditional lenders.
- **Risk Mitigation:** Emphasis on senior secured positions and portfolio diversification across industries.

Initial Asset Allocation

The fund's €30 million capital will be allocated across three distinct portfolios to ensure diversification and targeted exposure:

STRATEGIC PORTFOLIO

- **Investment Focus:** Principal finance and private debt funds, with co-investment opportunities in high-quality transactions.
- **Key Partnerships:**
 - Up to €2 million allocated to the legacy portfolio, focusing on asset-backed transactions and NPL portfolios.
 - Up to €2 million allocated to a fund specialising in distressed credit and structured real estate deals.
- **Strategic Value:** Enhances diversification across geographies while leveraging privileged relationships for direct co-investments in lucrative deals.

KEY OBSERVATIONS

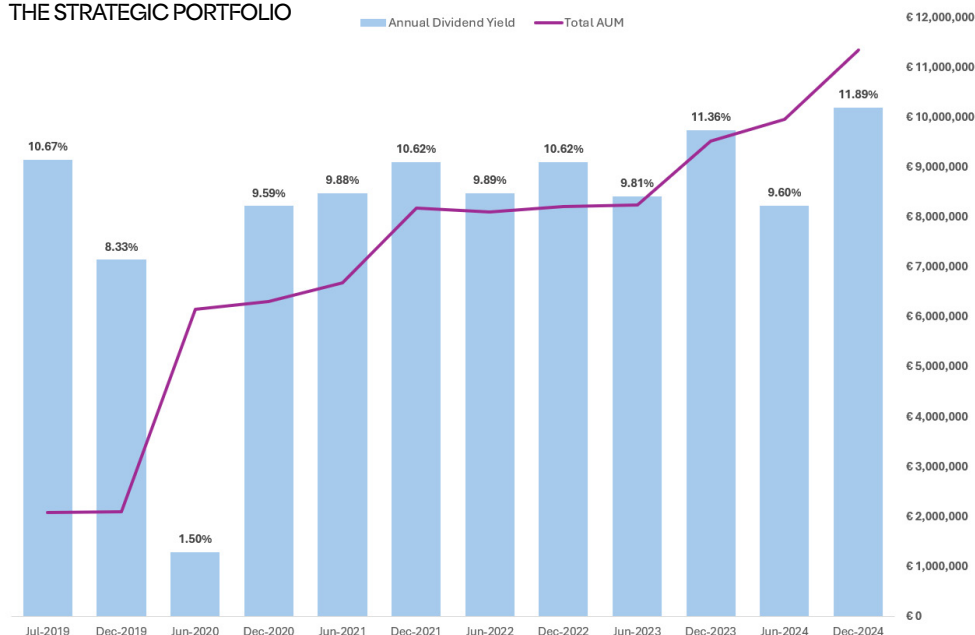
Consistent Growth in Total AUM:

The strategic portfolio has demonstrated a steady and substantial increase in total assets under management (AUM), as shown by the upward trajectory of the purple line. From mid-2020 onwards, AUM has grown consistently, surpassing €11 million by December 2024. This pattern reflects ongoing investor confidence and the fund's ability to attract new capital over time.

Resilient and Improving Dividend Yields:

Annual dividend yields, depicted by the blue bars, have remained robust throughout the observed period. While yields experienced a temporary dip to 1.50% in mid-2020, they quickly recovered and have generally ranged between 8.33% and 11.89% since then. Notably, there was a strong yield rebound in 2023 and 2024, culminating in an annual dividend yield of 11.89% at the end of 2024. This highlights the fund's resilience and its capacity to deliver attractive income to investors even amid changing market conditions.

THE STRATEGIC PORTFOLIO



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Initial Asset Allocation (contd.)

LEGACY PORTFOLIO

- **Investment Focus:** Subordinated tranches of trade receivables securitisation transactions.
- **Key Attributes:**
 - Highly diversified portfolio with over 10 years of performance history.
 - Structured through Italian and Luxembourg securitization vehicles.
 - Over collateralisation at the level of the underlying instruments
- **Strategic Value:** Andromeda shall leverage on its managers' historical expertise, providing a stable foundation for the fund with attractive risk-return characteristics.

VALUE GROWTH PORTFOLIO

- **Investment Focus:** High-yield opportunities in niche markets such as tax credit financing, litigation funding, and leveraged buyouts (LBOs).
- **Pipeline Highlights:**
 - Identified opportunities expected to yield up to 12%.
 - Includes specialized lending operations like cash-out quotaholder financing for closed-end funds nearing maturity.
- **Strategic Value:** Offers potential for higher returns by targeting underserved markets and innovative financing structures.

CASH MANAGEMENT STRATEGY

- Available cash will be invested in bonds with durations of 18-24 months or in new high-quality issues to benefit from spread tightening post-issuance.

Market Opportunity

- Increasing demand for alternative credit solutions as traditional banks face regulatory constraints and limited flexibility in serving SMEs and niche markets.
- Emerging opportunities in specialised areas such as tax credit financing, litigation funding, and off-balance sheet structures.
- Favorable macroeconomic backdrop with declining interest rates driving demand for higher-yielding investments.

Investment Strategy

The fund employs a disciplined investment process:

1. **Screening:** Initial assessment of opportunities based on alignment with the fund's strategy and financial metrics.
2. **Due Diligence:** Comprehensive evaluation of financials, operations, and risks to ensure quality investments.
3. **Execution:** Structuring, legal documentation, and transaction disbursement.
4. **Monitoring:** Ongoing performance reviews and proactive risk management to safeguard investor capital.

Why Invest?

- Diversified exposure across sectors and geographies, reducing concentration risk.
- Access to exclusive investment opportunities through partnerships with established private debt managers specialising in asset-backed transactions, distressed credit, and structured real estate deals.
- Strong focus on capital preservation through overcollateralization (2.5x) and senior secured positions in most transactions.

Board of Directors



Daniela Pace Bonello

An experienced compliance and AML specialist in private wealth solutions, Daniela holds a Master's in Financial Services Law from the University of London and certifications in financial advising, investment compliance, and risk management. At Andromeda SICAV, she oversees regulatory compliance and AML frameworks, ensuring adherence to the highest industry standards.



Nazaria Monica Tomainu

Monica is a legal and compliance expert with extensive experience in international financial advisory and private debt. She has held senior roles in Swiss fiduciary firms, managing client portfolios and ensuring regulatory compliance. Her expertise in investment structures and risk management brings valuable strategic insight to Andromeda SICAV.



Alessandro Cusumano

Alessandro is a senior financial professional with over 15 years of experience managing securitisation investment vehicles in Luxembourg. As Senior Client Relationship Manager at YourTacs SA, he specialises in structured finance, regulatory compliance, and risk management, bringing valuable expertise to Andromeda SICAV.