

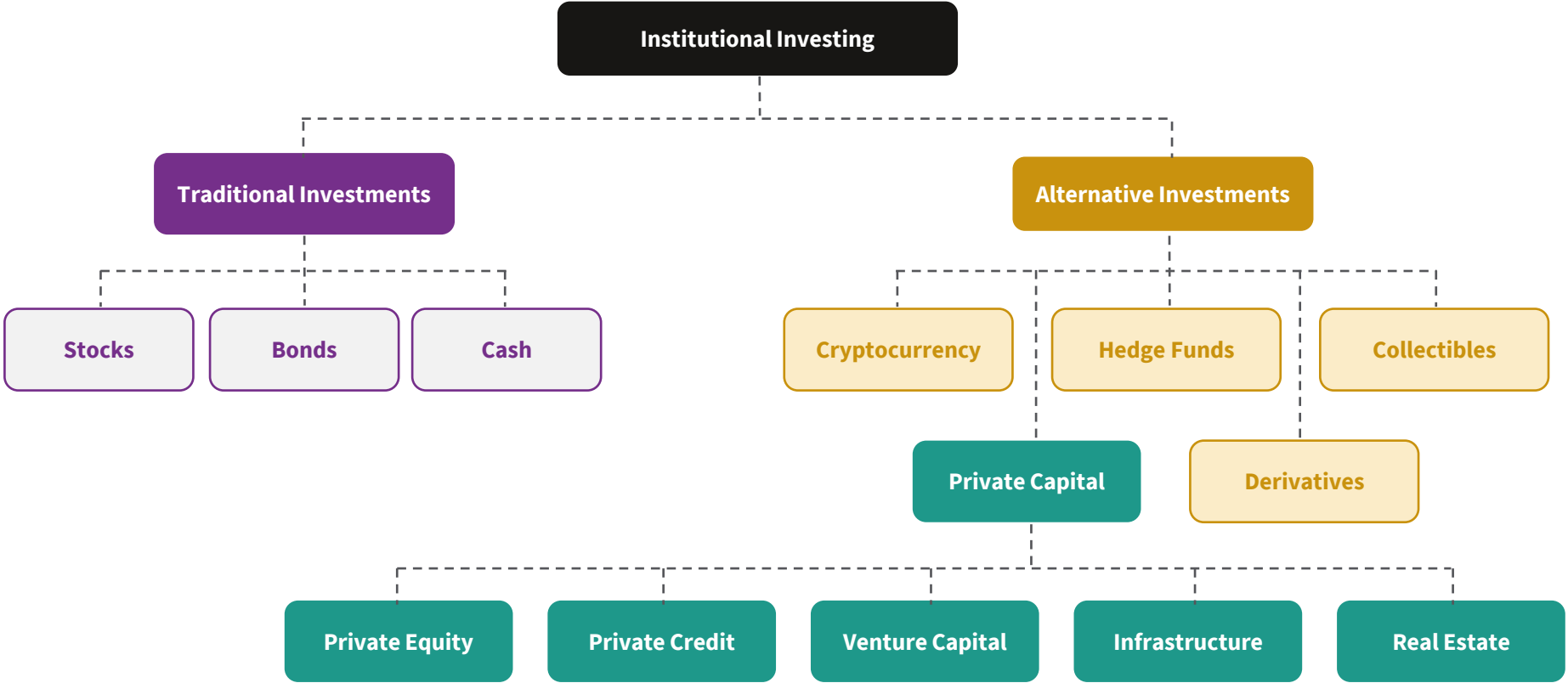


**PRIVATE MARKETS,
ALTERNATIVE ASSETS &
THE RISE OF AFRICA'S IMPACT INVESTORS**

April 2026

strate

Investment strategies



Trends – Private Markets

**Democratization
of Access**

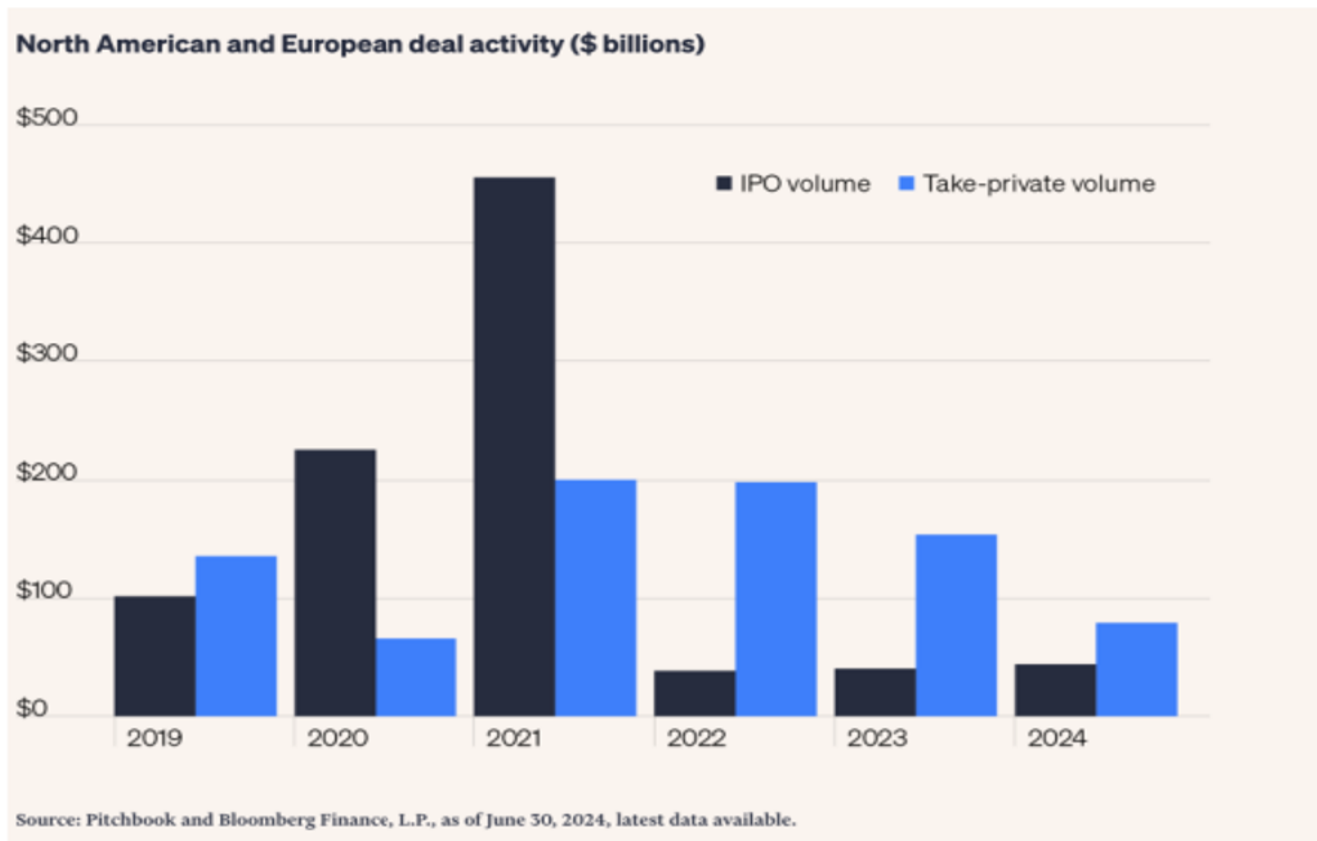
**Rise of
Alternative
Investments**

**Regulation
and
Compliance**

Technology

**Next
Generation
of Investing**

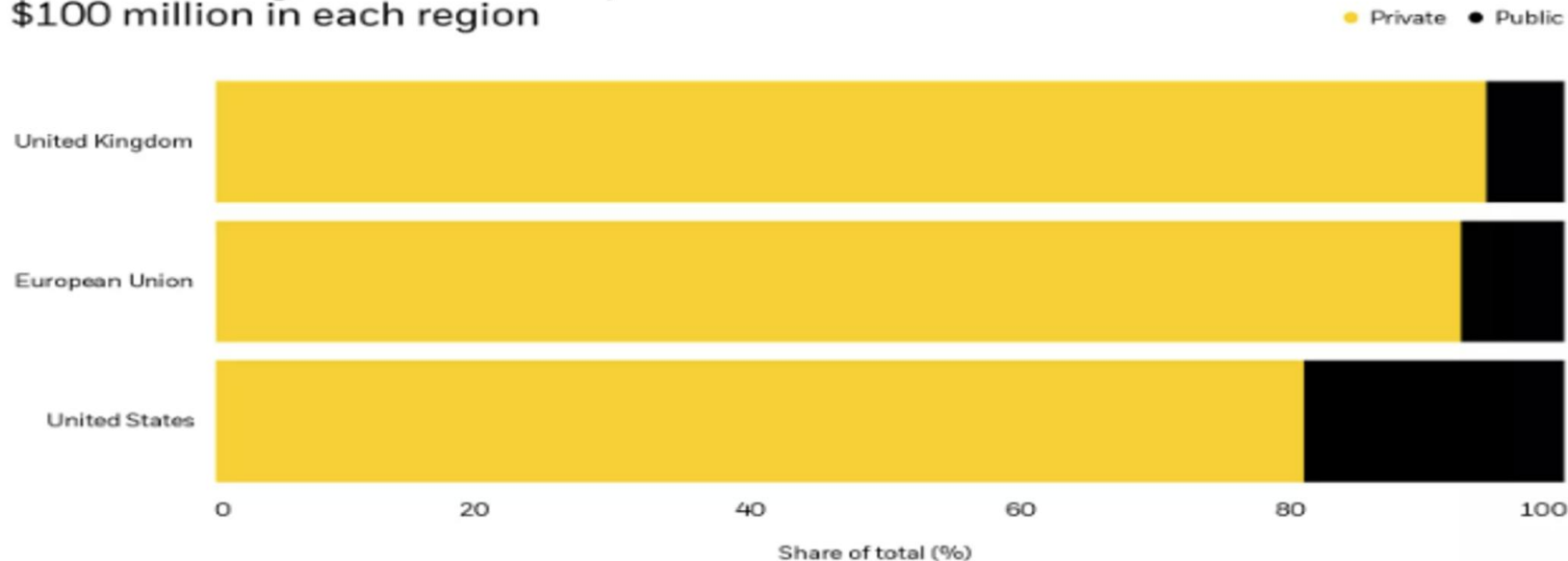
**Shrinking
public
markets =
growth in
private
markets**



The Opportunity

Most companies in the U.S., EU, and U.K. are private

Distribution of public vs. private companies with revenue greater than or equal to \$100 million in each region



Source: Blackrock

New Frontier in Wealth Management



Private markets were once exclusive.



Retail and mass affluent investors are now entering.



Multiple product solutions



Digital-first, purpose-built platforms are key.

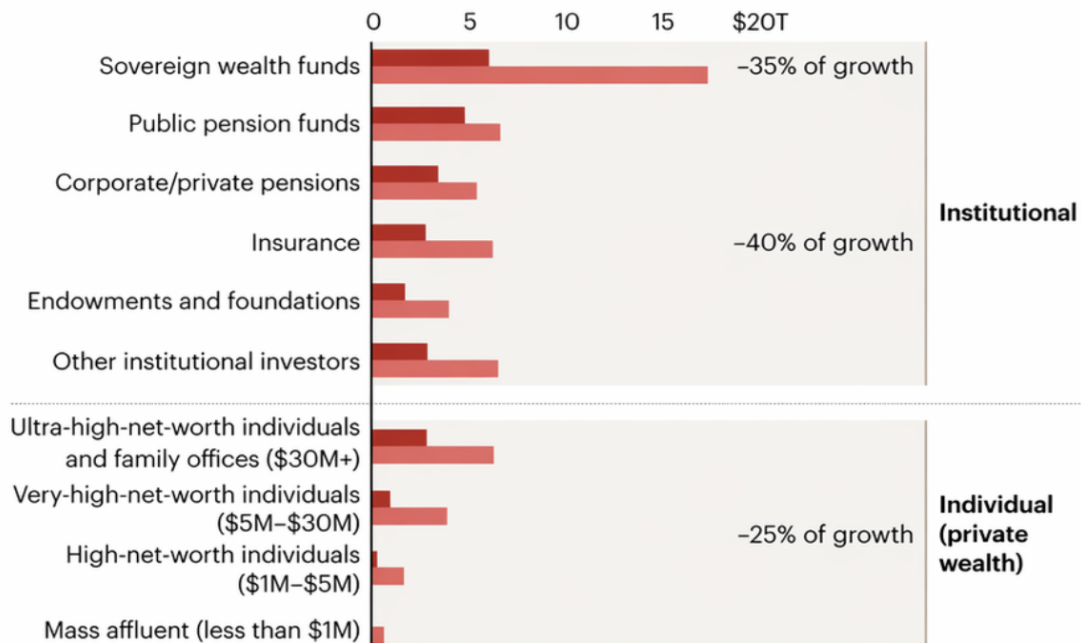


Stakeholders must align across the value chain.

Figure 2: Sovereign wealth funds and individual investor wealth promise to contribute 60% of future growth in assets under management

Global alternatives AUM

■ 2023 ■ 2033



Note: Other institutional investors include investment banks and various small investor groups (private equity, real assets, hedge funds, infrastructure, etc.)

Source: Bain analysis

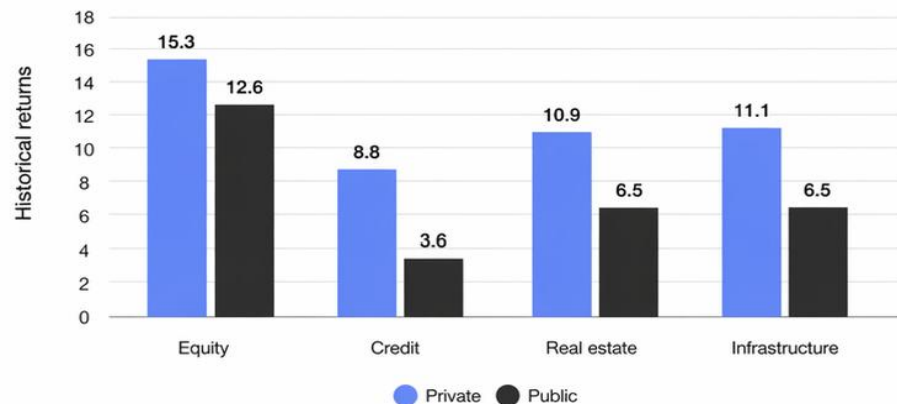
Rise of Alternative Investments

- Private Markets is expected to reach 18 trillion
- Individual investors hold est. 50% of global capital but only 16% of AUM in alternative investment funds.
- 25% of growth will come from Private Wealth

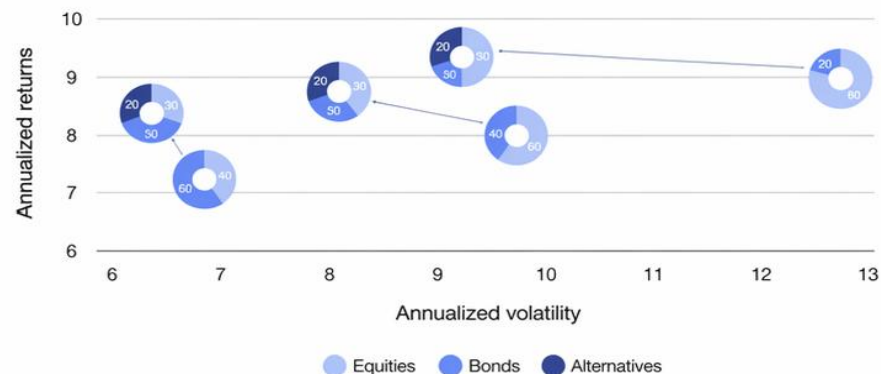
Opportunity for retail investors

Allocating to private markets **increases returns while managing volatility.**

Private vs public 10-year compound annual growth rate (CAGR) (2012-22)



Estimated impact of an allocation to private markets on returns and volatility



Sources: Pitchbook; Morgan Stanley; Bain & Company; J.P. Morgan, Preqin; Private market CAGRs based on Preqin's Private Capital Quarterly Index. Public benchmarks used are MSCI World Total Return Index, MSCI USA US Leveraged Index, MSCI US REIT Total Return Indexes

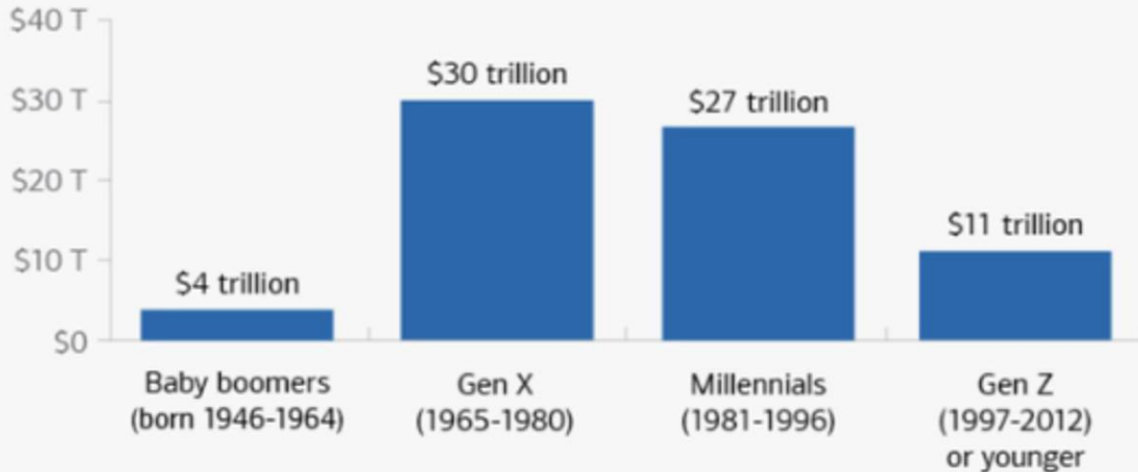
- **Private equity** delivered a **15.3% CAGR** from 2012-2022, outperforming **public equity** at **12.6% CAGR**.
- **Private credit** grew at a **8.8% CAGR**, significantly higher than **public credit** at **3.6% CAGR**.
- **Private real estate** achieved a **10.9% CAGR**, while **public real estate** lagged behind at **6.5% CAGR**.
- **Private infrastructure** saw a **11.1% CAGR**, outperforming **public infrastructure** at **6.5% CAGR**.

- **Higher allocation to alternatives** (private markets) generally **improves risk-adjusted returns**.
- **Portfolio with higher private market exposure (Alternatives):** Maintains or **lowers volatility** while increasing returns.
- **Portfolios with more equities** tend to be **more volatile**, but private markets can smooth performance.
- **Higher allocations to bonds** reduce **volatility** but also lower returns.

Next generation of investors

By the numbers: The Great Wealth Transfer

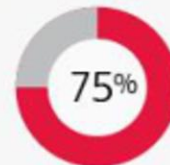
Estimated wealth to be inherited through 2045, by generation:



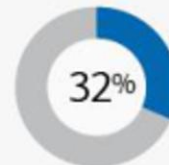
Source: Cerulli Associates, "The Cerulli Report: U.S. High-Net-Worth and Ultra-High-Net-Worth Markets 2021."

Younger investors are less confident in traditional investments ...

Agree or strongly agree that "it's not possible to achieve above-average returns solely with traditional stocks and bonds."



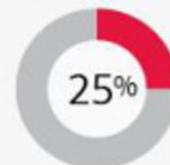
Age 21 to 42



Age 43+

... and more open to alternative asset classes

Say private equity is an investment that offers the greatest opportunity for growth:



Age 21 to 42



Age 43+

South Africa: Submission to Specialist Committee On Company Law (SCCL)



South Africa ESG Initiatives

Driving inclusive growth, enabling the energy transition, and channeling capital into impactful investments



ENVIRONMENT (E): Energy transition & Climate policy

- Climate change Act (2024)
- Renewable Energy Independent Power Producer Programme
- Green Hydrogen & Electric vehicle



SOCIAL (S): Just transition & Inequality Focus

- Job creation & Skills development
- “Just Transition” for impacted workers
- Transformation & Inclusion



GOVERNANCE (G): Regulation & Capital Markets

- Global ESG reporting standards
- ESG-linked financing (e.g. green bonds)
- Accountability & Transparent

Private markets & Capital

- Institutional & Blended finance
- Renewable energy, Infrastructure funds
- Government ESG-linked funding

Private markets will be the engine that converts ESG ambition into real, investable projects.



THANK YOU

strate

Private Markets are the “Capital Converter”

Transforming Capital into Real Economy Investments

Convert savings > Productive assets

Deploy capital into infrastructure, and businesses, and credit

Convert risk > Return opportunity

Blend DFIs and private investors for investable projects

Convert Illiquidity > Premium Returns

Turn long-term, illiquid assets into higher returns



Convert Fragmented > Scalable Platforms

Aggregate and scale local assets into institutional investments

Convert ESG intent > Measurable impact

Aggregate and scale local assets into institutional investments

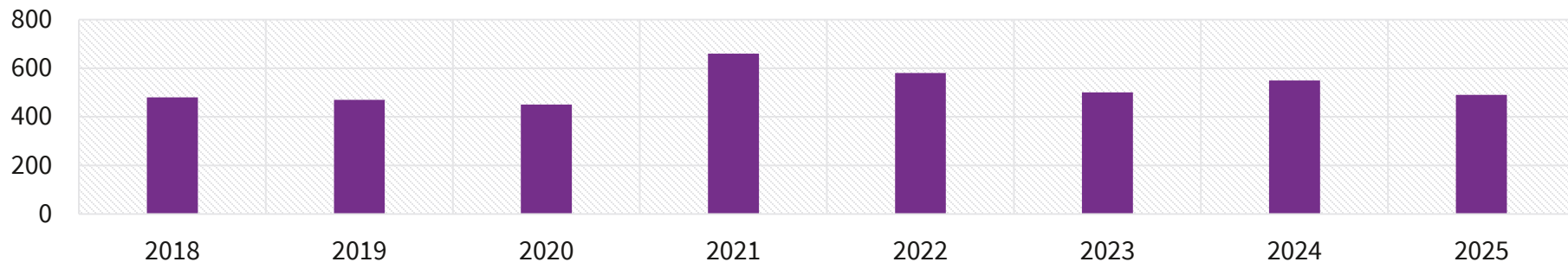
Convert ideas > Execution

Turn complex projects into measurable impact

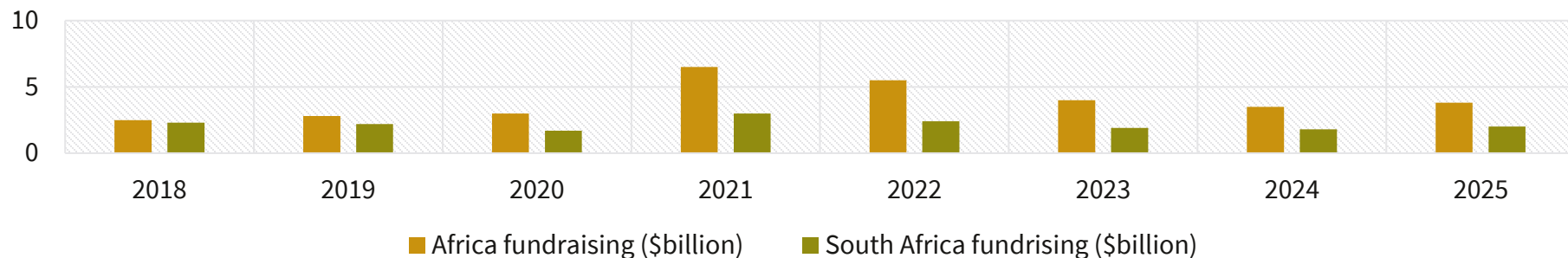
Private markets transform capital into structured, scalable, impact-driven investment in the real economy.

Fundraising stats – Global vs Africa vs South Africa – 2018 to 2025

Global fundraising



Africa vs South Africa



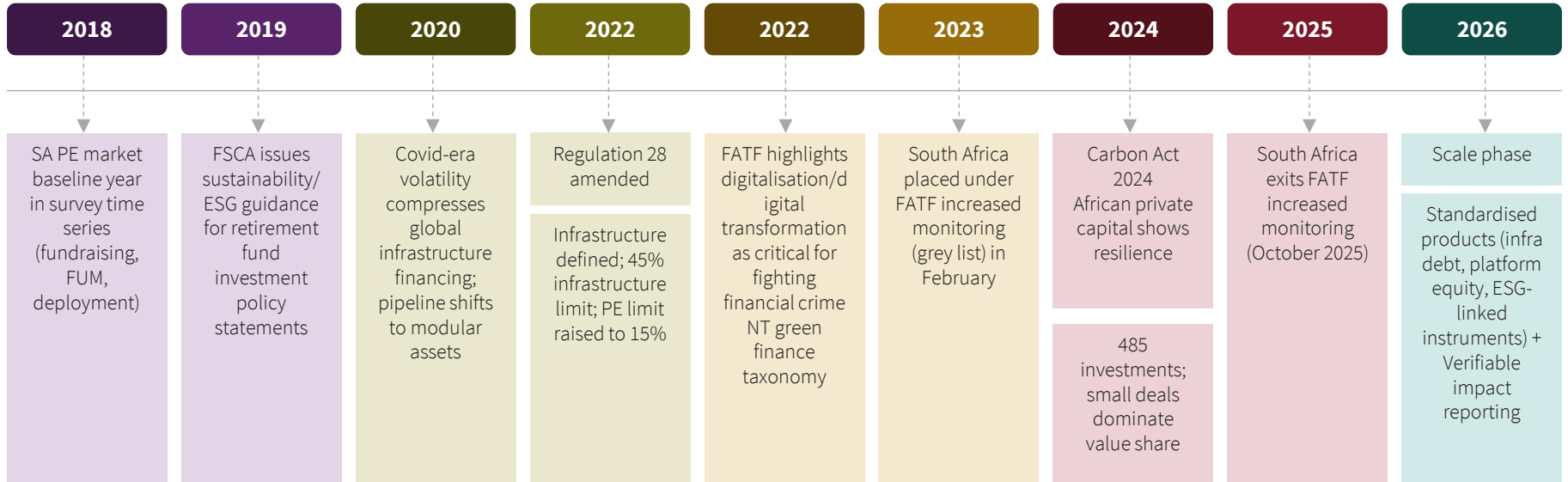
How are regulations assisting private markets?

Regulation 28 of the Pension Funds Act in South Africa

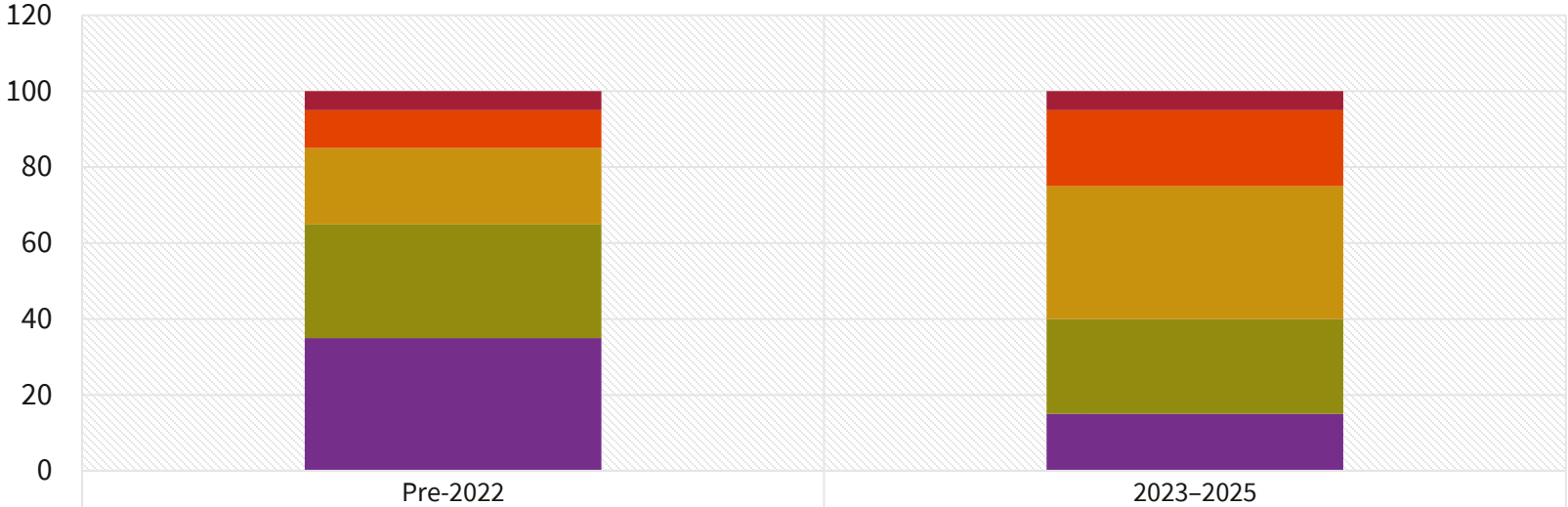
Type of investment	Pre-2023 limit	Post 2023 limit
Offshore investment	30%, with additional 10% within Africa	Aggregate limit of 45% including Africa
Infrastructure	Combined with alternative assets	45% including public and private infrastructure projects
Alternative assets (Hedge Funds, Private Equity, and Other Assets)	15% with specific sub limits (e.g. 10% for private equity)	Hedge funds – 10% Private equity – 15% Maximum – 25%

Key milestones shaping SA private markets

Key milestones shaping Africa private markets and SA investability (2018-2026)



South Africa – private markets deal mix



	Pre-2022	2023–2025
Other	5	5
Private Credit	10	20
Infrastructure	20	35
Buyout / PE	30	25
VC / Growth Equity	35	15

■ VC / Growth Equity
 ■ Buyout / PE
 ■ Infrastructure
 ■ Private Credit
 ■ Other

Role of Strate as a CSD

