



**ESG Government
Smart Loan™ Program**
“Sustainable Homes for Heroes”

“The Government of Malaysia fully supports initiatives of Seagate Global Capital through its Smart Loan/Partnership Program...and stands ready to give any needed support...”

*Endorsement Letter to Seagate Global Capital Sdn Bhd, from
The Office of the Prime Minister, Teraju, Government of Malaysia, January 25, 2017*

Seagate Global ESG Government Smart Loans™ are a proprietary investment product specifically designed to preserve principal while producing a high level of income by investing in investment grade government backed loans for socially responsible projects.

High Yield: Senior Smart Loans™ offer **9% annual return**, Mezzanine Smart Loans™ offer **15% annual return**.

Government Backed Short-term Bridge Loans: Smart Loans™ are short-term investment grade government backed bridge loans used to fund Malaysia government employee affordable solar homes and supply contracts.

Double Safety: In addition to the obligation for Malaysia to repay the loan, it is also collateralized by the underlying real estate that can be repossessed and sold. These are collateralized government backed loans.

Term: Each project term is between 12 months and 30 months. The loans are progressive pay thus the average maturity of each loan is six months. Therefore, investors may select maturities from 1 to 5 year.

Low Loan-to-Value: Smart Loans™ have a loan-to-value ratio of less than 50% which equates to lower risk.

Socially Responsible Loans: Smart Loans™ finance affordable solar homes for Heroes (nurses, teachers, military, firefighters, etc.), helping to reduce the affordable housing crisis as well as the climate change crisis.

Investment Grade Country: Malaysia’s sovereign rating is A3 by Moody’s, and A- by Standard & Poor’s.

Large Pipeline: Seagate has a pipeline of over \$1 billion in projects for the next several years with deal size from \$1 mm to over \$50 mm.

Top Rated Country to Invest In: Malaysia ranked #1 country to invest: US News/Wharton School annual survey, 2017; CEO World Magazine, 2018; Bloomberg, 2019.

Government Co-Investment Reduces Risk: The Government of Malaysia co-invests with Seagate from 10%-30% of the selling price of each home, aligning Government interests with investor interest.

Limited Market Risk: All homes are pre-sold to government employees prior to construction, thus no market risk.

Limited Construction Risk: Smart Loans™ are designed such that the construction risk, cost overruns and product liability are all born by other parties, not the investor.

Reason for the Opportunity: Despite government backing, there is a lack of funding available locally as non-government projects offer a higher margin and therefore draw most of the available funding.

Track Record: Seagate Global has a 5 year Smart Loan™ performance track record completing over 60 transactions. Monthly gross returns have been more than adequate to cover interests payments;

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Inception
Ave/Yr														26.39%
2020	1.51%	1.51%	1.51%	1.51%	1.37%	1.31%							8.70%	368.86%
2019	1.55%	1.55%	1.55%	1.55%	1.54%	1.55%	1.56%	1.62%	1.63%	1.67%	1.51%	1.51%	18.78%	339.34%
2018	1.39%	1.35%	1.37%	1.36%	1.35%	1.45%	1.45%	1.54%	1.54%	1.51%	1.51%	1.54%	17.36%	285.68%
2017	1.97%	1.97%	1.74%	1.74%	1.52%	1.52%	1.42%	1.43%	1.43%	1.42%	1.39%	1.39%	18.94%	243.42%
2016	16.43%	12.93%	3.23%	3.23%	3.23%	3.14%	3.14%	3.14%	3.14%	3.14%	2.35%	1.97%	59.08%	204.65%
2015							17.33%	17.33%	21.43%	29.54%	36.62%	6.41%	128.65%	128.65%

Lower Risk: While delivering a higher return, the Smart Loan™ is lower risk than a typical bridge loan;

Seagate Smart Loan™ vs Typical Bridge Loan				
			Seagate Smart Loan™	Typical Bridge Loan
1	High return (9%-15%)		YES	NO
2	Lower risk due to investment grade related sovereign borrower		YES	NO
3	Partnership with the government		YES	NO
4	Government co-invests 10%-30% in deals with Seagate		YES	NO
5	Government employee affordable solar homes		YES	NO
6	Automatic repayment upon completion of milestones		YES	NO
7	Program structured as a government receivable		YES	NO
8	2X Collateral: 1) government contract; 2) underlying assets		YES	NO
9	Loan-to-value <50%		YES	NO
10	Government approved project with permits		YES	NO
11	Government approved developers, contractors, suppliers, materials		YES	NO
12	Limited exposure to cost overruns and product liability		YES	NO
13	Government controlled lockbox for all funds		YES	NO
14	All profits contractually locked in		YES	NO
15	No market risk, homes pre-sold to government employees		YES	NO
16	Government guaranteed take-out financing and/or repayment		YES	NO

Minimum Investment: US\$250,000.00.

Seagate Global Fully Licensed: Registered Money Lender, Registered Bumiputera, Registered Solar Investor, Member Malaysia Factors Association, registered with the Malaysia Ministry of Finance and Bank Negara.
www.seagateglobal.com.my

Seagate Global, a Respected Name in Asia: Seagate Global was founded in 1996 with China's central bank as its first client and produced a prize winning track record. The Smart Loan™ program was launched in Malaysia in 2014. www.seagateglobal.com

For more information contact:

William Lawton, Executive Director

Seagate Global Capital Limited, Labuan

32B Jalan Diplomatik

Presint 15 Putrajaya 62050, Malaysia

Lawton@seagateglobal.com, +1-310-622-3000

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