

Factsheet

8.75% p.a. 3-month Commodity-backed Portfolio

Launch: February 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	TradeFlow Capital Management USD Fund
Industry	Commodity Trading
Jurisdiction	Cayman Islands
Issuance type	eNote™ (Polygon or Base)
Issuance amount	up to USD 5,000,000
Settlement currency	USDT
Denomination	USDT 1,000
Coupon rate	8.75% p.a.
Coupon frequency	At Maturity
Tenor	3 months
Rating	BBB- (Credora Rating Agency Equivalent*)
Debt type	Subordinated unsecured
Equity buffer	USD 45MM

*Credora Rating Agency Equivalent: [more information on this link](#). Investments into the bonds are subject to an investment fee as indicated and at the time of investment.

Highlights

- Diversified portfolio of pre-booked insured physical commodity backed transactions
- 8.75% p.a. yield in USD
- Fund transactions backed by liquid commodities and overcollateralized to mitigate price fluctuations
- Multi-year successful track record (Zero defaults, low volatility, consistent returns)
- Each fund transaction is fully insured for loss, damage or theft by global insurers

Issuer Background

Fund ISIN:

USD: KYG1988M6375

EUR: KYG198751300

TradeFlow is a pioneering trade finance firm that transforms SME import/export commodity risks into Investment Grade products for Banks and Investors. Utilizing their proprietary Risk Transformation Engine (RTE) and advanced digital technologies, they offer an innovative non-credit, non-lending model. Established in 2016, the company addresses the trade finance gap for global SMEs, introducing unique funds that acquire commodity ownership during shipment or storage. Their digital platform enables rapid onboarding of counterparties with full AML/KYC checks. TradeFlow's non-lending strategy complements traditional banks, and with bespoke risk assessment methods, they ensure optimal investment decisions. The Fund also offers 90-day liquidity, attracting a wide range of investors.

Webpage: <https://tradeflow.capital/>

Deal Details

Tradeflow USD is a commodity finance fund with a successful multi-year track record and AuM of around USD 100 million. It invests in pre-booked insured physical commodity finance transactions with a max tenor of 90 days. The subordinated issuance allows an investment in this strategy as a **short-term commodity-backed cash alternative**. The fund has had historically zero defaults, low volatility (<1%) and consistent returns since inception.

- **TradeFlow Capital** has a digitalised, non-credit approach to enabling physical commodity import/export transactions offering high, stable returns to investors.
- **TradeFlow minimises the pure credit risk faced by traditional trade logistic solutions**, and replaces it with real-world insurable physical risks.
- **Each transaction is individually insured with Marine Cargo All-Risk Insurance** from a diversified group of reputable and highly rated insurers.

Fund Service Partners





Trade Flow Characteristics:

Experienced founders with deep specialist experience in:

- Shipping, Commodity trading and Trade Finance
- Funds management, Risk and Compliance
- Legal and digital infrastructure and ecosystems

Fund Transactions Characteristics:

USD2.5Bn+ Trade transactions [USD50k to USD4MM]

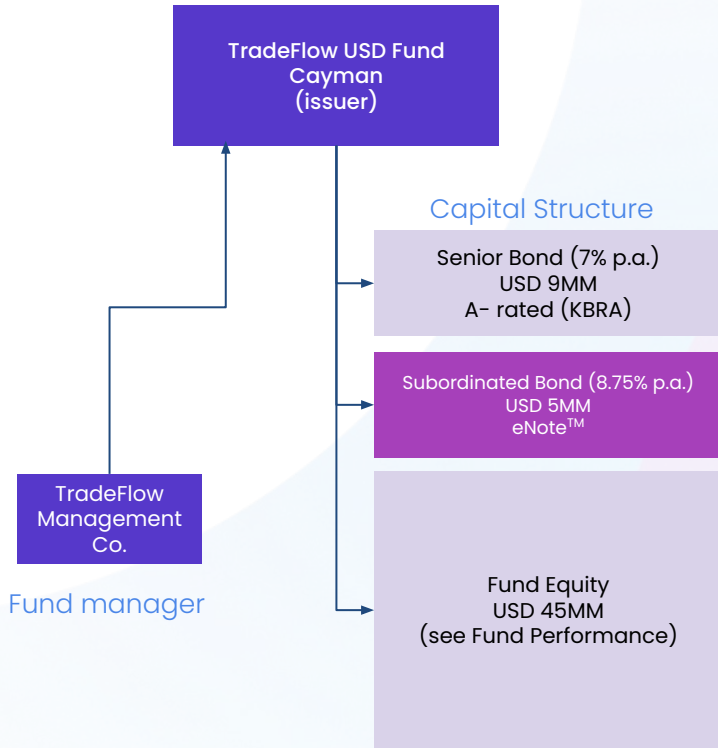
3,000+ SME transactions processed to June 2023

30+ Commodity Types

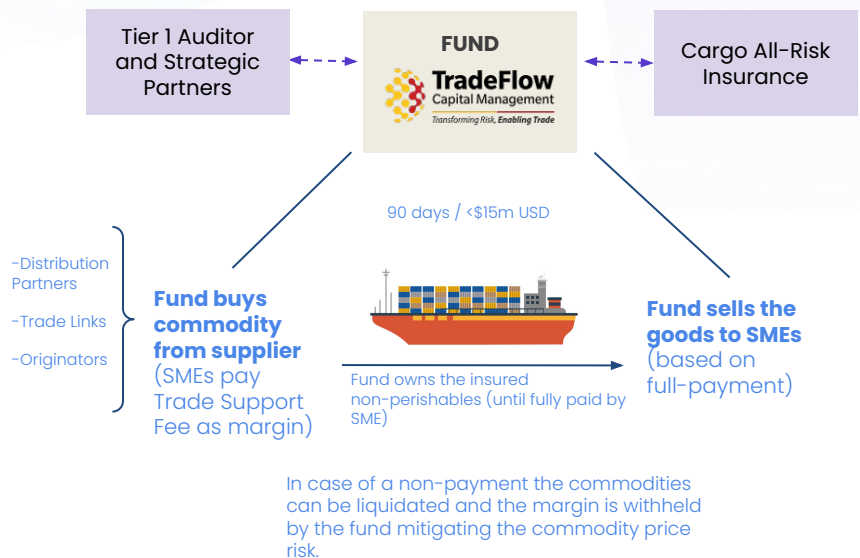
1800+ KYCd junior parties

18 Countries

Fund structure



Fund Business Model



Contact:

Issuer
<https://tradeflow.capital/contact-us/>

Obligate
ir@obligate.com

Source: TradeFlow

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™

Taxation

The coupon payments of the eNotes™ are subject to withholding tax depending on the jurisdiction of the investor. The tax information provided herein is a non-binding summary and only provides a general overview of the potential tax consequences linked to this eNote™ at the time of issue. Tax laws and tax interpretation may change at any time, possibly with retroactive effect. Investors and prospective investors are advised to consult with their tax advisers with respect to the tax consequences of the purchase, ownership, disposition, lapse or exercise or redemption of an eNote™ in light of their particular circumstances. The issuer and Obligate expressly exclude any liability in respect of any possible tax implications.

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.

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 blockchain. Obligate is headquartered in Switzerland.

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

Subscription: <https://app.obligate.com/marketplace>

