M&G Enhanced SA Property Tracker Fund

Property

October 2022

Since inception cumulative performance, distributions reinvested (A class)

Annualised performance

<table>
<thead>
<tr>
<th></th>
<th>A class</th>
<th>Benchmark</th>
<th>T class</th>
<th>D class</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>2.5%</td>
<td>3.0%</td>
<td>2.5%</td>
<td>2.7%</td>
</tr>
<tr>
<td>3 years</td>
<td>-6.7%</td>
<td>-6.1%</td>
<td>-6.7%</td>
<td>-6.5%</td>
</tr>
<tr>
<td>5 years</td>
<td>-8.4%</td>
<td>-7.5%</td>
<td>-8.4%</td>
<td>-8.3%</td>
</tr>
<tr>
<td>7 years</td>
<td>-4.2%</td>
<td>-3.7%</td>
<td>-4.2%</td>
<td>-4.1%</td>
</tr>
<tr>
<td>10 years</td>
<td>2.4%</td>
<td>2.7%</td>
<td>-</td>
<td>2.5%</td>
</tr>
<tr>
<td>Since inception</td>
<td>8.4%</td>
<td>8.8%</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Returns since inception¹

<table>
<thead>
<tr>
<th></th>
<th>A class</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highest annualised return</td>
<td>65.7%</td>
<td>31 Oct 2021</td>
</tr>
<tr>
<td>Lowest annualised return</td>
<td>-52.1%</td>
<td>31 Oct 2020</td>
</tr>
</tbody>
</table>

Top 10 holdings as at 30 Sep 2022

1. Growthpoint Properties Ltd 18.9%
2. NEPI Rockcastle NV 17.7%
3. Redefine Properties Ltd 11.7%
4. Resilient REIT Ltd 6.8%
5. Hyprop Investments Ltd 5.6%
6. Vukile Property Fund Ltd 5.2%
7. Fortress REIT Ltd A 5.1%
8. Equites Property Fund Ltd 5.0%
9. MAS Ptc 4.0%
10. Fairvest Ltd A 2.8%

Risk measures

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Monthly volatility (annualised)</td>
<td>19.8%</td>
<td>20.3%</td>
</tr>
<tr>
<td>Maximum drawdown over any period</td>
<td>-63.7%</td>
<td>-62.6%</td>
</tr>
<tr>
<td>% of positive rolling 12 months</td>
<td>73.8%</td>
<td>72.8%</td>
</tr>
<tr>
<td>Information ratio</td>
<td>-0.4</td>
<td>n/a</td>
</tr>
<tr>
<td>Sortino ratio</td>
<td>-0.4</td>
<td>-0.4</td>
</tr>
<tr>
<td>Sharpe ratio</td>
<td>-0.3</td>
<td>-0.3</td>
</tr>
</tbody>
</table>

Investment options

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<th>I Class</th>
<th>D Class</th>
</tr>
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<tbody>
<tr>
<td>Minimum lump sum investment</td>
<td>R10 000</td>
<td>R10 000</td>
<td>R10 000</td>
<td>R20 million</td>
</tr>
<tr>
<td>Minimum monthly debit order</td>
<td>R500 pm</td>
<td>R500 pm</td>
<td>R500 pm</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Annual Management Fees (excl. VAT)

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<th>D Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>M&amp;G</td>
<td>0.55%</td>
<td>0.55%</td>
<td>0.65%</td>
<td>0.40%</td>
</tr>
<tr>
<td>Financial adviser service fee (if applicable)²</td>
<td>n/a</td>
<td>n/a</td>
<td>0.15%</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Expenses (incl. VAT)

<table>
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<tbody>
<tr>
<td>Total Expense Ratio (TER)</td>
<td>0.70%</td>
<td>0.68%</td>
<td>0.77%</td>
<td>0.55%</td>
</tr>
<tr>
<td>Transaction Costs (TC)³</td>
<td>0.08%</td>
<td>0.08%</td>
<td>0.08%</td>
<td>0.08%</td>
</tr>
<tr>
<td>Total Investment Charges (TIC)</td>
<td>0.78%</td>
<td>0.76%</td>
<td>0.85%</td>
<td>0.63%</td>
</tr>
</tbody>
</table>

¹ 12-month rolling performance figure
² The Financial Adviser Service Fee, if applicable, is included in M&G’s annual management fee above. An Ongoing Adviser Fee, over and above the Financial Adviser Service Fee, may be negotiated between the Investor and Financial Adviser. Should you agree to an Ongoing Adviser Fee, it will be paid via the regular repurchase of units.
³ Where a transaction cost is not readily available, a reasonable best estimate has been used. Estimated transaction costs may include Bond, Money Market, and FX costs (where applicable).

Risk profile

- Risk of not earning meaningful inflation-beating returns over the long-term
- Variability of returns over the short-term

Fund facts

Fund objective

To provide a total return equal to or better than the benchmark (after fees) while providing long-term capital growth.

Investor profile

Individuals with a medium-to-high risk tolerance requiring medium-to long-term capital and income growth through efficient and cost-effective exposure to the Listed Property sector in South Africa. The recommended investment horizon is 5 years or longer.

Investment mandate

The Fund invests in South African listed property instruments and assets in liquid form. No direct investment in physical property may be made. The Fund is managed to a maximum tracking error of 2%.

Fund managers

Yusuf Mowlana

ASISA category

South African - Real Estate - General

Benchmark

FTSE/JSE South African Listed Property Index

Inception date

2 December 2005

Fund size

R620 072 865

Awards

Morningstar/Standard & Poor’s: 2011

M&G Enhanced SA Property Tracker Fund Sources: M&G and Morningstar
Glossary

12-month yield A measure of the Fund’s income distributions as a percentage of the Fund’s net asset value (NAV). This is calculated by summing the income distributions over a rolling 12-month period, then dividing by the sum of the NAV at the end of the period and any capital gains distributed over the same period.

Annualised performance This illustrates how an initial investment of R100 or N100 (for example) placed into the Fund would change over time, taking ongoing fees into account, with all distributions reinvested.

Cumulative performance graph The average amount of money (total return) earned by an investment each year over a given time period. For periods longer than one year, total returns are expressed as compounded average returns on a yearly basis.

Income distribution The dividend income and/or interest income that is generated by the underlying Fund investments and that is periodically declared and distributed to investors in the Fund after all annual service fees have been deducted.

Information ratio Measures the Fund’s active return (Fund return in excess of the benchmark) divided by the amount of risk that the manager takes relative to the benchmark. The higher the information ratio, the higher the active return of the Fund, given the amount of risk taken and the more consistent the manager. This is calculated over a 3-year period.

Maximum drawdown The largest drop in the Fund’s cumulative total return from peak to trough over any period.

Monthly volatility (annualised) Also known as standard deviation. This measures the amount of variation or difference in the monthly returns on an investment. The larger the annualised monthly volatility, the more the monthly returns are likely to vary from the average monthly return (i.e. the more volatile the investment).

Percentage of positive rolling 12-months The percentage of months, since inception, that the Fund has shown a positive return over a rolling 12-month period.

Sharpe ratio The Sharpe ratio is used to measure how well the return of an asset compensates the investor for the risk taken. The higher the Sharpe ratio the better the Fund’s historical risk-adjusted performance has been. This is calculated by taking the difference between the Fund’s annualised return and the risk-free (cash) rate, divided by the standard deviation of the Fund’s returns. This is calculated over a 3-year period.

Sortino ratio This is calculated by taking the difference between the Fund’s annualised return and the risk-free (cash) rate, divided by the downside deviation of the Fund’s returns i.e. the “bad” volatility. A high Sortino ratio indicates a low risk of large losses occurring in the Fund. This is calculated over a 3-year period.

Total Expense Ratio (TER) This shows the charges, levies and fees relating to the management of the portfolio and is expressed as a percentage of the average net asset value of the portfolio, calculated for the year to the end of the most recent completed quarter. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.

Total Investment Charges (TIC) The percentage of the value of the Fund incurred as costs, relating to the investment of the Fund. As fund returns are reported after deducting all fees and expenses, these costs (the TER and TIC) should not be deducted from the Fund’s returns.

Transaction Costs (TC) The percentage of the value of the Fund incurred as costs relating to the buying and selling of the Funds underlying assets.

Unit class M&G’s Funds are offered in different unit classes to allow different types of investors (individuals and institutions) to invest in the same fund. Different investment minimums and fees apply to different unit classes.

_A Class: for individuals only.
_B & D Class: retirement funds and other large institutional investors only.
_A Class: the special fee class that was made available to investors that were invested in the Dividend Income Feeder Fund.
_T Class: for investors in tax-free units trusts.
_F Class: for Discretionary Fund Managers.

Fiscal and debt outlook on the back of better-than-expected revenue collections. The government announced plans to provide relief to Locally, Finance Minister Enoch Godongwana delivered his 2022 Medium-Term Budget Policy Statement (MTBPS), reporting an improved fiscal and debt outlook on the back of better-than-expected revenue collections. The government announced plans to provide relief to

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full swing with several mega-cap technology companies reporting disappointing results, fuelling concerns about slowing global growth.

Among the top contributors to relative performance for the month were underweight positions in Emira Property Fund, Investec Property Fund and Fortress REIT Ltd B. Relative detractors included overweight positions in Dipula Income Fund Ltd B, Fairvest Ltd B and Octodec.

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