Momentum Collective Investment Scheme (CIS) portfolio
Class A | Minimum Disclosure Document (MDD) as at 30 September 2020
Assets managed by: Momentum Outcome-based Solutions

Momentum Focus 6 Fund of Funds

Momentum Outcome-based Investing background (Philosophy)

Investment success is about consistently meeting an investor’s investment needs – whether that be to generate an income stream in retirement, preserve capital or simply to grow wealth within the parameters of a certain risk profile.

In order to maximise that probability of an investor reaching their desired objective, Momentum has built a leading range of outcome-based investment solutions that set their sights beyond mere benchmarks and instead focus on the things that matter the most to investors, ensuring they achieve their investment goals.

Investment outcome and portfolio objectives

The Fund is a high equity, multi-asset, Fund of Funds portfolio which aims to provide investors with moderate to high growth in income and capital over the long term. The portfolio is suited to investors with a moderate to high risk profile targeting returns of CPI + 5% per annum over rolling six year periods. A tolerance for capital volatility over the short to medium term is required and a six year or longer investment horizon. The portfolio’s equity exposure will range between 50% and 75%.

Portfolio performance

Since launch cumulative performance graph

![Cumulative Performance Graph]

Annualised performance

<table>
<thead>
<tr>
<th>Period</th>
<th>Momentum Focus 6 Fund of Funds (3.80%)</th>
<th>Benchmark CPI +5% (35.15%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Launch</td>
<td>107.0%</td>
<td>-4.0%</td>
</tr>
<tr>
<td>Dec’17</td>
<td>106.7%</td>
<td>-1.7%</td>
</tr>
<tr>
<td>Nov’17</td>
<td>102.9%</td>
<td>-7.3%</td>
</tr>
<tr>
<td>Oct’17</td>
<td>105.4%</td>
<td>-6.1%</td>
</tr>
<tr>
<td>Sep’17</td>
<td>102.8%</td>
<td>-6.7%</td>
</tr>
<tr>
<td>Aug’17</td>
<td>100.7%</td>
<td>-8.1%</td>
</tr>
<tr>
<td>Jul’17</td>
<td>96.2%</td>
<td>-13.4%</td>
</tr>
<tr>
<td>Jun’17</td>
<td>90.0%</td>
<td>-17.6%</td>
</tr>
<tr>
<td>May’17</td>
<td>83.1%</td>
<td>-25.2%</td>
</tr>
<tr>
<td>Apr’17</td>
<td>74.8%</td>
<td>-37.1%</td>
</tr>
</tbody>
</table>

Initial management fee: 0% (incl. VAT)
Initial advisory fee: 0% - 3.45% (incl. VAT)
Annual management fee: 1.323% p.a. (incl. VAT)
Annual advisory fee: 0% - 1.15% (incl. VAT)

The disclosed Financial year end TER (total expense ratio) is shown as an annual percentage based on data for the 1 year period to 30 June 2020.

Cost ratios (incl. VAT) as at 30 June 2020:
- TER (%): 1.85%
- TC (%): 0.16%
- TIC (%): 2.01%

TER (%): Total Expense Ratio, TC (%): Transactions Costs Ratio, TIC (%): Total Investment Charges (TER (%) + TC (%)).
For further information on cost ratios, please see the Disclosure section.

Income distribution (cpu)

<table>
<thead>
<tr>
<th>Period</th>
<th>Dividend</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec’18</td>
<td>0.654</td>
<td>0.374</td>
<td>1.027</td>
</tr>
<tr>
<td>Jun’19</td>
<td>0.794</td>
<td>0.355</td>
<td>1.149</td>
</tr>
<tr>
<td>Dec’19</td>
<td>0.762</td>
<td>0.305</td>
<td>1.067</td>
</tr>
<tr>
<td>Jun’20</td>
<td>0.897</td>
<td>0.372</td>
<td>1.269</td>
</tr>
<tr>
<td>Oct’19 - Sep’20</td>
<td>1.659</td>
<td>0.677</td>
<td>2.336</td>
</tr>
</tbody>
</table>

Distribution takes place Semi-annually: June, December
Momentum collective investments

The Momentum Focus 6 Fund of Funds is a multi-asset Fund of Funds portfolio with the objective to secure consistent real returns net of fees in excess of inflation + 5% p.a. over rolling six year periods, through an investment strategy that is executed through a combination of active asset allocation and predominately active investment strategies. The portfolio will, apart from assets in liquid form, consist solely of participatory interests and other forms of participation in international and domestic collective investment scheme portfolios. The portfolio will be managed in line with Prudential Investment Guidelines applicable to Retirement Funds.

Portfolio objective/investment policy

- Exposure limits as per the ASISA Fund classification structure.
- CISCA Board Notice 90 of 2014 investment limitations.
- The portfolio is managed in accordance with Prudential Investment Guidelines applicable to Retirement Funds.

Specific risks

This portfolio is permitted to invest in foreign securities which, within portfolios, may have additional material risks, depending on the specific risks affecting that country, such as: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Investors are reminded that an investment in a currency other than their own may expose them to a foreign exchange risk.

Risk/reward profile and 3 year statistics

<table>
<thead>
<tr>
<th>Risk</th>
<th>Low</th>
<th>Low to Mod</th>
<th>Mod</th>
<th>Mod to High</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Term</td>
<td>1m -12m</td>
<td>1 -3 yrs</td>
<td>3+ yrs</td>
<td>4+ yrs</td>
<td>5+ yrs</td>
</tr>
<tr>
<td>Sharpe ratio</td>
<td>-0.40</td>
<td>-0.59</td>
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Portfolio allocation (%)

- SA Equity CIS 40.43
- Foreign CIS 30.17
- SA Multi Asset Income CIS 16.66
- SA Interest Bearing CIS 10.01
- SA Real Estate CIS 11.15
- SA Cash/Money Market 1.58

Holdings

Manager | Holding | %
--- | --- | ---
Momentum GIM | Momentum Global Growth IC B | 27.45
Momentum OBS | Momentum SA Flex Fixed Interest B | 11.07
Momentum OBS | Momentum Macro Growth F1 | 8.08
Fairtree | Fairtree Equity Prescient B2 | 7.43
Truffle AM | Momentum Opportunistic Equity C | 6.50
Momentum OBS | Momentum Trending Equity C | 6.00
Momentum AM | Momentum Bond B10 | 5.12
Prudential IM | Momentum Ultra Long-Term Value F1 | 4.95
Momentum AM | Momentum Enhanced Yield B2 | 4.89
BlueAlpha | Momentum High Growth F1 | 3.76
Momentum OBS | Momentum Capped SWIX Index A1 | 3.70
ALUWANI | Momentum Inflation Linked Bond B3 | 3.17
Momentum OBS | Momentum Diversified Income B11 | 2.42
Momentum GIM | Momentum Global Cautious IC B | 1.37
BlackRock FM | iShares Glbl Prop Sec Eqty Index (UK) D Dist GBP | 1.35
Momentum OBS | Momentum SA Real Gth Property B | 1.15
SA Cash/Money Market | | 1.58

Manager allocation (look through) (%)

- Momentum OBS | 32.43
- Momentum GIM | 28.82
- Momentum AM | 10.01
- Fairtree | 7.43
- Truffle AM | 6.50
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- The portfolio is managed in accordance with Prudential Investment Guidelines applicable to Retirement Funds.

Information ratio

Information ratio measures the volatility of fund returns relative to the benchmark return. It is calculated as the difference between the fund’s return and the benchmark return, divided by the standard deviation of the fund’s returns. A higher information ratio indicates a lower relative risk of the fund’s performance compared to the benchmark.

Portfolio limits and constraints

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Momentum Collective Investments (RF) Pty Ltd, registration number 1987/004287/07, is authorised in terms of the Collective Investment Schemes Control Act, No 45 of 2002 (CISCA) to administer Collective Investment Schemes (CIS) in Securities. The Manager is the manager of the Momentum Collective Investments Scheme, and MMI Holdings Ltd is a full member of the Association for Savings and Investment SA. Standard Bank of South Africa Limited, registration number 1962/000738/06, is the trustee of the scheme.

Momentum Focus 6 Fund of Funds is a portfolio of the Momentum Collective Investments Scheme and Momentum Outcome-based Solutions (Pty) Ltd, registration number: 2004/023064/07, an authorised financial services provider (“FSP”) under the Financial Advisory and Intermediary Services Act No. 37 of 2002 (“FAIS”), FSP number: 19840, is the investment manager of this portfolio.

Momentum Focus 6 Fund of Funds is a Fund of Funds CIS portfolio. A Fund of Funds, apart from assets in liquid form, consists solely of participatory interests in portfolios of CIS, which may levy their own charges, which could result in a higher fee structure for Fund of Funds than some other forms of CIS portfolios.

The Total Expense Ratio (TER) is the percentage of the net asset value of the class of the Financial Product incurred as expenses relating to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. A current TER may not necessarily be an accurate indication of future TER’s. The disclosed TER is shown as an annual percentage based on data for the period from 01 July 2017 to 30 June 2020. The Transaction Costs Ratio (TC) is the percentage of the net asset value of the Financial Product incurred as costs relating to the buying and selling of the assets underlying the Financial Product. Transaction costs are a necessary cost in administering the Financial Product and impacts Financial Product returns. The TC should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER. The disclosed TC is shown as an annual percentage based on data for the period from 01 July 2017 to 30 June 2020. The Total Investment Charges (TIC) is the sum of the TER and the TC and is shown as a percentage depicting the annual costs relating to the investment of the Financial Product. Cost ratios are calculated using historical actual and/or estimated data and are provided solely as an indication/guide as to the annual expenses/costs that could be incurred. These ratios do not represent any current/actual charges or fees.

All portfolio performance is calculated for a portfolio/portfolio class. Individual investor returns may differ as a result of fees, actual date(s) of investment, date(s) of reinvestment of income and withholding tax. All portfolio performance shown is net of the Total Investment Charges (TIC) but excludes any initial or ongoing advisory fees that may, if applicable, be charged separately. Annualised returns, also known as Compound Annualised Growth Rates (CAGR), are calculated from cumulative returns; they provide an indication of the average annual return achieved from an investment that was held for the stated time period. Actual annual figures are available from the Manager on request. All portfolio performance figures quoted (tables and charts where present) are as at 30/09/2020, based on a lump sum investment, using NAV-NAV prices with income distributions reinvested on the ex-dividend date. CPI/Inflation figures, where present, are lagged by one month. Cash figures, where present, are STeFI Composite Index returns. All figures quoted in ZAR. Source: Morningstar and/or Momentum.

CIS are considered medium to long-term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. CIS are traded at ruling prices and can engage in borrowing and scrip lending. The CIS may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Different classes of units apply to portfolios, which are subject to different fees and charges. A schedule of fees and maximum commissions is available on request from the Manager. The Manager reserves the right to close and reopen certain portfolios to new investors from time to time in order to manage them more efficiently in accordance with their mandate. This portfolio is valued daily at approx. 24h00. Latest prices can be viewed at www.momentuminv.co.za and in some national newspapers. Forward pricing is used. Instructions must reach the Manager before 14h00 to ensure same day value. The Manager does not provide any guarantee, either with respect to the capital or the return of this portfolio. Additional information on the proposed investment including, but not limited to, brochures, application forms and the annual report and any half yearly report can be obtained, free of charge, at www.momentuminv.co.za or on request from the Manager.

This document should not be seen as an offer to purchase any specific product and is not to be construed as advice. Investors are encouraged to obtain independent professional investment and taxation advice before investing with or in any of the Manager’s products.