

Momentum Real Growth Property Fund

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.

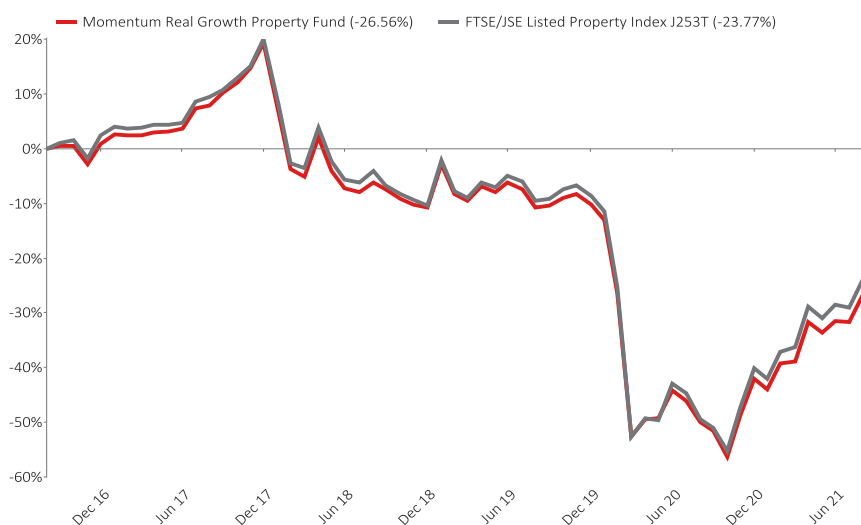
In order to maximise that probability of an investor reaching their desired objective, Momentum has built a leading range of outcome-based investment solutions that set their sights beyond mere benchmarks and instead focus on the things that matter the most to investors, ensuring they achieve their investment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

Investment outcome and portfolio objectives

The Fund is a largely domestic, property portfolio that aims to maximise growth in income and capital over time. The portfolio is suited to investors with a moderate to high risk profile with a tolerance for capital volatility over the short to medium term and a five year or longer investment horizon. The Fund invests in property securities listed on the FTSE/JSE All Share. Property securities will comprise a minimum of 80% of the portfolio. Offshore allocations of up to 25% and 5% in Africa provide further return opportunities and diversification benefits.

Portfolio performance

5 year cumulative performance graph



Annualised performance

	1 year	3 years	5 years	7 years	10 years
Fund	46.89%	-7.85%	-5.99%	-0.18%	5.03%
Benchmark	51.02%	-7.34%	-5.28%	0.08%	5.32%
Sector	48.34%	-7.24%	-4.83%	-0.08%	4.94%
Rank	21/37	15/33	20/28	10/21	6/15
High ^[1]	46.89%	46.89%	46.89%	46.89%	46.89%
Low ^[1]	-52.05%	-52.05%	-52.05%	-52.05%	-52.05%
Cash	3.83%	5.86%	6.50%	6.55%	6.23%
Inflation	4.64%	3.93%	4.30%	4.63%	5.01%

^[1] High/Low – highest/lowest 1 year return of the portfolio/class of portfolio during the period detailed.

Portfolio information

Benchmark	FTSE/JSE Listed Property Index (J253T)		
ASISA sector	SA - Real Estate - General		
Portfolio size	R 981.33 million		
Portfolio inception	1 September 2004		
The Portfolio inception (above) is the launch date of this portfolio on the Momentum Collective Investments (MCI) Scheme. The Launch date (below) depicts the launch/performance start date of the relevant class of this portfolio.			
Launch date	1 September 2004		
Launch price	100.00 (cpu)		
Latest price (31/08/2021)	231.10 (cpu)		
JSE Alpha Code	RBPF		
ISIN Number	ZAE000057535		
Minimum investment			
Lump sum	R 2,000	Monthly	R 250
Portfolio managers			
Pelo Manyeng BCom, CAIA, RPE			
Lawrence Koikoi Property Development Programme, CA (SA)			

Portfolio charges and ratios

Initial management fee	0% (incl. VAT)
Initial advisory fee	0% - 3.45% (incl. VAT)
Annual management fee	1.438% p.a. (incl. VAT)
Annual advisory fee	0% - 1.15% (incl. VAT)

Financial year end TER (incl. VAT): 1.46%

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 2021:

TER (%)	TC (%)	TIC (%)
1.46%	0.12%	1.58%

TER (%): Total Expense Ratio, TC (%): Transactions Costs Ratio, TIC (%): Total Investment Charges (TER (%) + TC (%))

Please see Disclosures section for further information on cost ratios

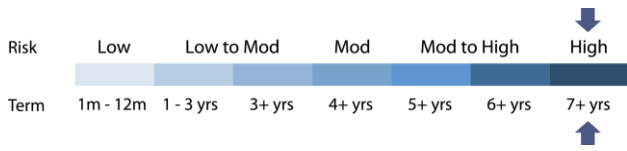
Income distribution (cpu)

	Dividend	Interest	Total
Sep'20	0.416	0.015	0.431
Dec'20	2.066	0.231	2.297
Mar'21	0.863	0.000	0.863
Jun'21	3.214	0.014	3.228
Sep'20 - Aug'21	6.559	0.260	6.819

Distribution takes place Quarterly : March, June, September, December



Risk/reward profile and 3 year statistics



Specific risks

Declines in local and global property markets and Rand appreciation will introduce capital volatility. The inclusion of foreign securities introduces further return opportunities to the portfolio but additional risks including tax risk, foreign exchange risk, settlement risks, political risk, macro-economic risks and potential constraints on liquidity and the repatriation of funds need to be appreciated.

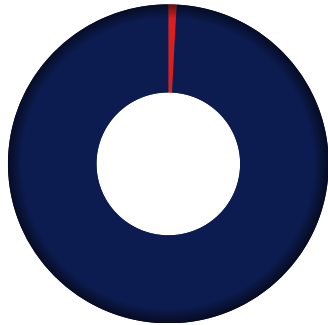
Standard deviation ¹⁾	30.72
Sharpe ratio ²⁾	-0.28
Information ratio ³⁾	0.34
Largest negative monthly return	-35.68
Number of positive months	16 / 36

¹⁾Standard deviation – measures the volatility of fund returns ²⁾Sharpe ratio – fund return minus cash return (STeFI composite), divided by the Standard deviation (of fund returns)

³⁾Information ratio – return per unit of risk against the benchmark

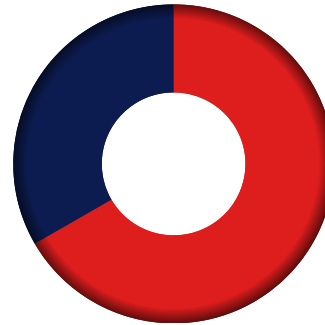
Holdings

Asset type allocation (effective) (%)



SA Cash/Money Market	0.96
SA Equity (Real Estate)	99.04

Equity sector allocation (effective) (%)



Real Estate Investment Trusts	66.04
Real Estate Investment and Services	33.00

Portfolio objective/investment policy

The portfolio will endeavour to provide investors with the combination of high income and long term capital appreciation. The investable universe of the portfolio will be property securities, property collective investment schemes, property loan stock, Real Estate equity, non equity securities and assets in liquid form. The portfolio can hold up to 25% of the portfolio in cash during periods when suitably priced property instruments are not available. The portfolio may from time to time invest in financial instruments, in accordance with the provisions of the Act, and the Regulations thereto, as amended from time to time, in order to achieve the portfolio's investment objective. The manager may also include unlisted forward currency agreements, interest rate and exchange rate swap transactions. The portfolio may also invest in the participatory interests or any other form of participation in portfolios of collective investment schemes or other similar collective investment schemes as the Act may allow from time to time, and which are consistent with the portfolio's investment policy. Where the aforementioned schemes are operated in territories other than South Africa, participation in portfolios of these schemes will be included in the portfolio only where the regulatory environment is of sufficient standard to provide investor protection at least equal to that in South Africa. The Trustee shall ensure that the investment policy is adhered to, provided that nothing contained in the investment policy shall preclude the Manager from varying the ratio of fixed income securities in terms of changing economic factors or stock exchange conditions and from retaining cash in the portfolio and/or placing on deposit in terms of the Deed. For the purpose of this portfolio, the manager shall reserve the right to close the portfolio to new investors. This will be done in order to be able to manage the portfolio in accordance with its mandate.

Portfolio limits and constraints

- Exposure limits as per the ASISA fund classification structure.
- Minimum of 80% of the portfolio must be in shares in the Real Estate sector of the JSE or similar sector of an international stock exchange and may include other high yielding securities from time to time.
- Maximum of 10% of the portfolio may be invested in shares outside the Real Estate sector to allow for the inclusion of shares in companies that conduct similar business activities but are not classified in the Real Estate sector.



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Contact and other information

Scheme

Momentum Collective Investments Scheme

Custodian/Trustee

Standard Bank of South Africa Limited

Telephone: +27 (0)21 441 4100

Registration no.: 1962/000738/06

Management company

Momentum Collective Investments (RF) (Pty) Ltd

268 West Avenue, Centurion, 0157

PO Box 7400, Centurion, 0046

Facsimile: +27 (0)12 675 3889

Call centre: 0860 111 899

Email: ci.clientservice@momentum.co.za

Web: www.momentuminv.co.za

Registration no.: 1987/004287/07

Investment manager

Momentum Asset Management (Pty) Ltd

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PO Box 7400, Centurion, 0046

An authorised financial services provider, FSP No: 623

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Email: emailus@momentum.co.za

Web: www.momentum.co.za/assetmanagement

Registration no.: 1987/004655/07

Disclosures

Momentum Collective Investments (RF) (Pty) Ltd (the "Manager"), 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 Real Growth Property Fund is a portfolio of the Momentum Collective Investments Scheme and Momentum Asset Management (Pty) Ltd, registration number: 1987/004655/07, an authorised financial services provider ("FSP") under the Financial Advisory and Intermediary Services Act No. 37 of 2002 ("FAIS"), FSP number: 623, is the investment manager of this portfolio.

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 2018 to 30 June 2021. 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 2018 to 30 June 2021. 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 31/08/2021, 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 generally 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 charges 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. 15h00 and monthly (last business day of a month) at approx. 17h00. 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.



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