ASSET ALLOCATION RANGE

RISK RATING

Low 1 Medium 2 High 3

Risk reward profile

Equity and property investments are volatile by nature and subject to potential capital loss. For credit and income instruments, while unlikely, capital loss may also occur due to an event like the default of an issuer. The portfolio may be subject to currency fluctuations due to its international exposure.

GENERAL INFORMATION

ASISA category
South African Multi Asset Medium Equity

Benchmark
Inflation + 5% over rolling 3 years

Investment manager
Abax Investments (Pty) Ltd is authorised as a Financial Services Provider under the Financial Advisory and Intermediary Services Act (FSP No. 856).

Inception date
27 June 2011

Appropriate term
Minimum 3 - 5 years

Market value
R 6,910 Million

Income distributions
Frequency: Semi-annually
June 2022: 116.80 cpu
Previous 12 months: 217.67 cpu

Fees and charges (excluding VAT)
Initial fees 0.00%
Annual management fee 1.35%

Total expense ratio 1.61%
Transaction costs 0.29%
Total investment charges 1 1.90%

Performance 1

<table>
<thead>
<tr>
<th>Period</th>
<th>Portfolio</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year pa</td>
<td>13.8%</td>
<td>12.9%</td>
</tr>
<tr>
<td>3 Years pa</td>
<td>11.3%</td>
<td>10.4%</td>
</tr>
<tr>
<td>5 Years pa</td>
<td>7.4%</td>
<td>10.1%</td>
</tr>
<tr>
<td>7 Years pa</td>
<td>7.5%</td>
<td>10.3%</td>
</tr>
<tr>
<td>10 Years pa</td>
<td>9.5%</td>
<td>10.5%</td>
</tr>
<tr>
<td>Lowest 1 year return</td>
<td>-14.8%</td>
<td></td>
</tr>
<tr>
<td>Highest 1 year return</td>
<td>36.8%</td>
<td></td>
</tr>
</tbody>
</table>

Risk

<table>
<thead>
<tr>
<th>Period</th>
<th>Portfolio</th>
<th>ALSI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volatility [5 years]</td>
<td>11.3%</td>
<td>15.8%</td>
</tr>
</tbody>
</table>

Portfolio structure

- Equity: 33.0%
- Property: 4.4%
- Bonds: 30.9%
- Inflation linked bonds: 2.6%
- Convertible bonds: 0.1%
- Cash and money market: 4.6%
- Foreign equity: 13.7%
- Foreign bonds: 9.4%
- Foreign cash: 1.2%

Top 10 holdings

<table>
<thead>
<tr>
<th>Share</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>R2040 9% 310140</td>
<td>9.3</td>
</tr>
<tr>
<td>R2037 8.50% 310137</td>
<td>6.2</td>
</tr>
<tr>
<td>R2044 8.75% 310144</td>
<td>4.7</td>
</tr>
<tr>
<td>R2035 8.875% 280235</td>
<td>4.3</td>
</tr>
<tr>
<td>FirstRand Ltd</td>
<td>2.7</td>
</tr>
<tr>
<td>Standard Bank 5.73% 200623</td>
<td>2.7</td>
</tr>
<tr>
<td>R2032 8.25% 310332</td>
<td>2.6</td>
</tr>
<tr>
<td>Thungela Resources Limited</td>
<td>2.2</td>
</tr>
<tr>
<td>Alphabet Inc</td>
<td>2.1</td>
</tr>
<tr>
<td>US Treasury 0.125% 150123</td>
<td>2.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>38.9</strong></td>
</tr>
</tbody>
</table>

1) The annualized total return is the average return earned by an investment each year over a given time period. Performance is calculated for the portfolio and individual investment performance may differ as a result of initial fees, the actual investment, the actual investment date, the date of reinvestment and dividend withholding tax. Due to the delayed release of inflation data, relevant benchmarks will lag by one month.

2) Total Expense Ratio (TER), expressed as a percentage of the Fund, relates to expenses incurred in the administration of the Fund. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TERs. Transaction Costs (TC), expressed as a percentage of the Fund, relate to the costs incurred in buying and selling the underlying assets of the Fund. TC are a necessary cost in administering the fund and impact fund returns. It should not be considered in isolation as returns may be impacted by other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER. The Total Investment Charges expressed as a percentage of the Fund, relates to all investment costs of the Fund. Both the TER and TC of the Fund are calculated on an annualised basis, beginning 01/07/2019 and ending 30/06/2022.
PORTFOLIO ATTRIBUTES

- A moderate risk, balanced fund aiming to protect against capital losses over rolling 24-month periods.
- The manager aims to minimise downside participation while capturing an acceptable level of upside.
- The manager invests beyond traditional asset classes to add value via a broad range of strategies.
- The fund will have a maximum exposure of 60% to equity and 25% to listed property.
- The fund may invest in offshore markets as per South African Reserve Bank regulations.

INVESTMENT MANAGEMENT

- Abax Investments is an independent, owner-operated investment firm founded in 2003.
- AMG, a global asset management company, owns 25%, with 75% owned by staff and charitable trusts.
- Abax Investments are purely focused on fund management and have gained experience through various market cycles.
- Abax Investments have managed the Nedgroup Investments Opportunity Fund since inception in June 2011.

INVESTMENT PHILOSOPHY

- Focus on quality and price paid to protect downside and capture as much of the upside as possible.
- Use fundamentally based valuation models to identify assets which have deviated from fair value.
- Seek to balance risk across the alpha sources and construct well-diversified portfolios.
- Marry top-down asset class allocation with bottom-up view of individual securities.
- Portfolios are structured to maximise expected returns for an acceptable level of downside risk.

Who we are

Nedgroup Collective Investments (RF) Proprietary Limited, is the company that is authorised in terms of the Collective Investment Schemes Control Act to administer the Nedgroup Investments unit trust funds. It is a member of the Association of Savings & Investment South Africa (ASISA).

Our Trustee

The Standard Bank of South Africa Limited is the registered trustee. Contact details: Standard Bank, Po Box 54, Cape Town 8000.
Email: Trustee-compliance@standardbank.co.za, Tel 021 401 2002.

Performance

Unit trusts are generally medium to long-term investments. The value of your investment may go down as well as up. Certain unit trust funds may be subject to currency fluctuations due to its international exposure. Past performance is not necessarily a guide to future performance. Nedgroup Investments does not guarantee the performance of your investment and even if forecasts about the expected future performance are included you will carry the investment and market risk, which includes the possibility of losing capital.

Pricing

Funds are valued daily at 15:00. Instructions must reach us before 14:00 (12:00 for Nedgroup Money Market Fund) to ensure same day value. Prices are published daily on our website and in selected major newspapers.

Fees

A schedule of fees and charges and maximum commissions is available on request from Nedgroup Investments.

Disclaimer

Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. Nedgroup Investments has the right to close unit trust funds to new investors in order to manage it more efficiently. For further additional information on the fund, including but not limited to, brochures, application forms and the annual report please contact Nedgroup Investments.

Nedgroup Investments contact details

Tel: 0860 123 263 (RSA only)
Tel: +27 21 412 2003 (outside RSA)
Email: info@nedgroupinvestments.co.za
For further information on the fund please visit: www.nedgroupinvestments.co.za

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Nedbank Clocktower, Clocktower Precinct, V&A Waterfront, Cape Town, 8001

Write to us

PO Box 1510, Cape Town, 8000

DATE OF ISSUE
10 November 2022