INCEPTION DATE B CLASS: 2 January 2007, F CLASS: 1 June 2016

*Estimated expenses

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).

Should you agree to an ongoing Adviser Fee, this will be paid via the regular repurchase of units.

*** Included in Prudential’s annual management fee above (A Class Financial Adviser Fees: Initial and Ongoing Adviser Fees are negotiated between the Investor and Financial Adviser.

TER. A 0.25% p.a. fee discount will be effected on the base annual management fee of the A and B classes, should net performance fall below the benchmark over a rolling five-year period. The Manager receives a marketing and distribution fee in respect of the Prudential Global Funds. These funds will charge an additional asset management fee which is included in the Fund’s NAV and the Fund’s

** As at 31 December 2020 (updated quarterly)

Total Investment Charges (TIC) 2.24% 2.34% 1.84% 1.50%

Sharpe ratio -0.2 -0.4

Highest annualised return 67.8% 30 Apr 2006

Lowest annualised return -24.4% 31 Oct 2008

** 12-month rolling performance figure

RISK MEASURES A CLASS BENCHMARK

Monthly volatility 14.8% 14.9%

% of positive rolling 12 months 82.0% 80.8%

Information ratio 0.6 n/a

Sortino ratio -0.3 -0.5

Sharpe ratio -0.2 -0.4

Returns Since Inception** A CLASS DATE

1 year 9.2% 1.9% 9.6% 9.6%

3 years 2.3% 0.1% 2.7% 3.1%

5 years 5.4% 3.1% 5.8% n/a

7 years 6.0% 3.8% 6.4% n/a

10 years 9.7% 6.9% 10.2% n/a

Since inception 15.6% 12.7% 10.2% 6.6%

* Inception date B Class: 2 January 2007, F Class: 1 June 2016

Minimum lump sum investment R10 000 R10 000 R20 million R20 million

Minimum monthly debit order R500 pm R500 pm n/a n/a

INITIAL FEES (excl. VAT) A CLASS I CLASS B CLASS F CLASS

Prudential 0.00% 0.00% 0.00% 0.00%

Financial adviser fee if applicable 3.00% (max) 3.00% (max) 0.00% 0.00%

ANNUAL MANAGEMENT FEES (excl. VAT) A CLASS I CLASS B CLASS F CLASS

Prudential (minimum base fee) 1.00% 1.25% 0.65% 1.00%

Prudential (performance fee sharing rate) 20.00% 20.00% 20.00% n/a

Prudential (maximum total fee) 2.25% 2.50% 1.90% n/a

Financial adviser service fee if applicable*** 0.00% 0.50% 0.50% 0.00%

** The Fund can invest portions of its assets in underlying foreign investments (incl. investments into Africa). This would mainly be achieved by investing into the sub-funds of the Prudential Global Funds (ICAV and the Prudential Africa Equity Fund). These funds will charge an additional asset management fee which is included in the Fund’s NAV and the Fund’s TER. A 0.25% p.a. fee discount will be effected on the base annual management fee of the A and B classes, should net performance fall below the benchmark over a rolling five-year period. The Manager receives a marketing and distribution fee in respect of the Prudential Global Funds.

*** Included in Prudential’s annual management fee above (A Class Financial Adviser Fees: Initial and Ongoing Adviser Fees are negotiated between the Investor and Financial Adviser. Should you agree to an ongoing Adviser Fee, this will be paid via the regular repurchase of units)

EXPERIES (incl. VAT) A CLASS I CLASS B CLASS F CLASS

Total Expense Ratio (TER) 2.05% 2.15% 1.65% 1.31%

Performance fee (excluded in TER above) 0.55% 0.55% 0.60% 0.00%

Transaction Costs (TIC) 0.19% 0.19% 0.19% 0.19%

Total Investment Charges (TIC) 2.24% 2.34% 1.84% 1.50%

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).

Sources: Prudential & Morningstar
FUND COMMENTARY

The year ended on a buoyant note in December as investors shrugged off the rising “second wave” of Coronavirus infections and bought up riskier assets, pushing many equity markets to record highs. Investor sentiment was boosted by the start of vaccine rollouts across several countries, the US Congress’ agreement of a fourth stimulus package and the UK and EU’s finalisation of a Brexit deal. In the US, consumers and investors took heart from President-Elect Joe Biden’s Cabinet choices, which partly signalled a return to “safe” Obama-era policies and a vigorous stance on combating the pandemic. The passing of another round of fiscal stimulus measures, combined with the start of vaccinations country-wide, has led investors to expect a faster economic recovery. At its 16 December meeting, the Federal Reserve raised its forecasts for GDP growth for the next three years: to -2.4% for 2020 from -3.7% previously; to 4.2% from 4.0% in 2021; and to 3.2% from 3.0% in 2022. In the UK and Europe, news was dominated by the last-minute Brexit deal, and the start of the distribution of vaccines in both regions. The European Central Bank (ECB) projected that the Euro area’s real GDP will contract by 7.3% in 2020, rebounding to 3.9% growth in 2021 and 4.2% growth in 2022. Asian bourses hit record highs in December amid optimism over accelerating growth in the region on the back of recoveries in consumer demand and business activity.

In South Africa, a resurgence of the Coronavirus led to tighter lockdowns, but global risk-on investor sentiment prevailed, putting the FTSE/JSE All Share Index (ALSI) in positive territory (+7.0%) for the year. Amid a dearth of government plans to acquire and roll out vaccines, market participants worried over the impact of a vaccine rollout delay until mid-2021. In more positive news, SA GDP growth for Q4 2020 surprised to the upside at 13.5% q/q (66.1% annualised). The South African Reserve Bank (SARB) is now projecting an 8.0% contraction in the economy for 2020, improving to 3.5% growth in 2021. The ALSI returned 4.2% in December. Listed Property (SAPY Index) was the star performer for the month, returning 13.7%, while Resources delivered 9.5% and Financials produced 8.3%. Industrials were in the red with a -1.0% return. Looking at global equity market returns (all in US$), emerging markets outperformed developed markets, with the MSCI Emerging Markets Index delivering 7.4% and the MSCI World Index returning 4.2%. The rand strengthened 4.6% against US dollar, 2.6% against the pound sterling and 2.4% versus the euro.

Among the largest contributors to relative performance for the month were overweight positions in Impala Platinum, Bytes Technology Group and Exxaro. Detracting from relative performance were underweight positions in Anglo American, FirstRand and BHP Group.

GLOSARY

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
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.

Cumulative performance graph
This indicates the Fund’s intended maximum exposure to an asset class. These limits may be reviewed subject to the Fund’s intended maximum exposure to an asset class. These limits may be reviewed subject to the Fund’s - Equity – General category as per the ASISA fund classification standards.

Investment income
This indicates the Fund’s intended maximum exposure to an asset class. The largest drop in the Fund’s cumulative total return from peak to trough over any period.

Invested performance
This is 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.

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.

Unit class
Prudential’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.

HOW TO INVEST

1. Application forms and all required documentation must be faxed to +27 11 263 6143 or e-mailed to instructions@myprudential.co.za.

2. The performance is calculated for the portfolio. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Purchasers and repurchase instructions must be received by the Manager by 13h00 (11h00 for the Money Market Fund) SA time each business day. All online purchase and repurchase transactions must be received by the Manager by 10h00 (9h00) for all Funds SA time each business day.

3. Prudential Equity Fund Investors Scheme (CIS) summary with all fees and maximum initial and ongoing fees is included in the overall costs of the fund. A Collective Investment Scheme (CIS) summary with all fees and maximum initial and ongoing advise is available on our website. One can also obtain additional information on Prudential products on the Prudential website. The fund may hold foreign securities including foreign CIS funds. As a result, the fund may face material risks. The volatility of the fund may be higher and the liquidity of the underlying securities may be restricted due to relative market sizes and market conditions. The fund’s ability to liquidate investments may be affected by restrictions in foreign markets. The fund’s ability to liquidate investments may be affected by restrictions in foreign markets.

4. Collective Investment Schemes Unit trusts are generally medium to long-term investments. Past performance is not necessarily a guide to future investment performance. Unit trust prices are calculated on a net asset value (NAV) basis at the close of the day and the net market value of all assets of the unit trust fund divided by the total number of units of the fund. Any market movements – for example in share prices, bond prices, money market prices or currency fluctuations – relate to the underlying performance of the fund and the value of the underlying assets to go up or down. As a result, the price of your units may go up or down. Unit trusts are traded at the ruling forward price of the day, meaning that transactions are processed during the day before you or the Manager know what the price at the end of the day will be. The price and therefore the number of units included in the transaction are only known on the following day. The unit trust fund may borrow up to 10% of the fund’s value, and it may also lend any scrip (proof of ownership) of any underlying sub-fund to other investors in additional funds. A Prudential unit trust fund may consist of different fund classes that are subject to different fees and charges. Where applicable, the Manager will charge your financial adviser an advised standard ongoing adviser fee, which is included in the overall costs of the fund. A Collective Investment Schemes (CIS) summary with all fees and maximum initial and ongoing advise is available on our website. One can also obtain additional information on Prudential products on the Prudential website.

5. Collective Investment Schemes (CIS) summary with all fees and maximum initial and ongoing fees is included in the overall costs of the fund. A Collective Investment Scheme (CIS) summary with all fees and maximum initial and ongoing advise is available on our website. One can also obtain additional information on Prudential products on the Prudential website. The fund may hold foreign securities including foreign CIS funds. As a result, the fund may face material risks. The volatility of the fund may be higher and the liquidity of the underlying securities may be restricted due to relative market sizes and market conditions. The fund’s ability to liquidate investments may be affected by restrictions in foreign markets, capital, the proceeds of sales of securities may be adversely affected for multiple reasons including market conditions, macro-economic and political circumstances. Further, the return on the security may be affected (positively or negatively) by the difference in tax regimes between the domestic and foreign tax jurisdictions. The availability of market information and information on any underlying sub-funds may be delayed. The Manager may, at its discretion, close your unit trust fund to new investors and additional investments by existing investors to manage the fund in accordance with its objectives. It may also stop your existing debit order investment. The Manager makes no guarantees as to the capital invested in the fund or the returns of the fund. Excessive withdrawals from the fund may place the fund under liquidity pressure and, in certain circumstances; a process of ring fencing withdrawal instructions may be followed. More information is published daily on the Prudential website. These are also available upon request. The performance is calculated for the portfolio. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Purchasers and repurchase instructions must be received by the Manager by 13h00 (11h00 for the Money Market Fund) SA time each business day. All online purchase and repurchase transactions must be received by the Manager by 10h00 (9h00) for all Funds SA time each business day.