

Flagship International Flexible Fund IC Limited

Minimum Disclosure Document - 31 August 2020



Navigate Safely Forward

FUND MANAGERS

Kyle Wales | Pieter Hundersmarck

NAV price per share (class 'A') | US\$ 126.2

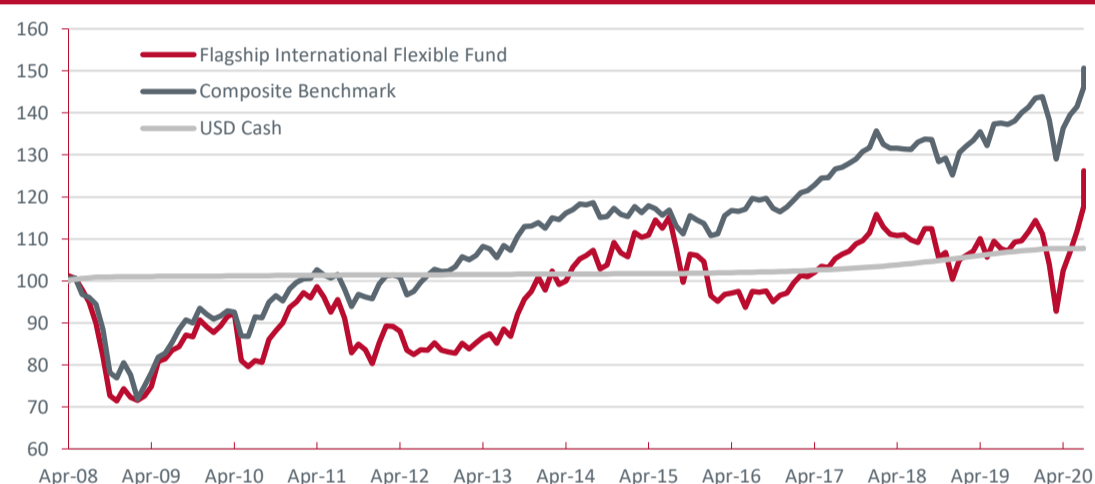
Fund size	\$29.6m
Fund type	Mixed asset fund
Launch date	02 April 2008
Cell Manager	Flagship Asset Management (Pty) Ltd
Investment Manager	IPFM Guernsey ICC Limited
Administrator	JTC Fund Solutions (Guernsey) Limited
Custodian	Butterfield Bank (Guernsey) Limited
Dealing	Daily
Valuation point	12.00pm (Guernsey time) on the relevant Dealing Day
Dividend policy	Distribute all income annually

Minimum initial investment	\$10,000
Benchmark	50% MSCI World Equity Index 30% JP Morgan Global Bond Index 20% US\$ Overnight Call Rate
Domicile	Guernsey
Subscriptions cut-off time	The application form to subscribe must be completed and received, with cleared funds, by the Administrator by no later than 12.00 noon (Guernsey time) on the relevant Dealing Day.
Redemptions cut-off time	Written notice to redeem must be received by the Administrator by no later than 12.00 noon (Guernsey time) one Business Day before the relevant Dealing Day.

INVESTMENT OBJECTIVE

The Fund is a multi-asset, globally diversified portfolio investing in equities, bonds, property, and money market instruments without restriction. It does not impose target bands across any of these classes and may deviate materially from its benchmark (50% equities, 30% bonds, and 20% money market). We seek to achieve our investment objective of long-term capital growth with an acceptable level of risk through an actively-managed portfolio of assets, spread over a broad range of asset classes, currencies, and geographies in varying proportions over time. The fund should be viewed as a medium to long term investment.

PERFORMANCE CHART



FUND EXPOSURES

Equity	85.6%
Alibaba	6.6%
Netease Inc	6.5%
Zalando SE	5.8%
Microsoft Corp	5.8%
Heineken Holding NV	4.7%
Booking Holdings Inc	4.3%
Facebook	4.0%
Amazon	3.5%
Alphabet (Google)	3.5%
HDFC Bank Ltd	3.2%
Hedged S&P Position	0.0%
Other equity holdings	37.7%
Property	0.4%
Unibail-Rodamco-Westfield	0.4%
Bonds	0.0%
Inflation Linked Bonds	0.0%
Cash and Strategic Income	5.1%
USD cash holdings	4.9%
Diversified cash holdings	0.2%
Commodities	8.9%
Gold	8.9%
TOTAL	100.0%

Source: JTC Fund Solutions (Guernsey) Limited

PERFORMANCE

Annualised Performance (for periods > 1 year)	Fund	Benchmark	USD Cash
Since inception	1.9%	3.4%	0.6%
10 Years	9.4%	10.6%	1.2%
7 Years	7.8%	7.0%	1.2%
5 Years	3.2%	5.9%	1.1%
3 Years	5.9%	5.8%	1.5%
2 Years	6.0%	6.1%	1.6%
1 Year	17.9%	9.8%	0.8%
Year-to-date	10.4%	4.9%	0.3%

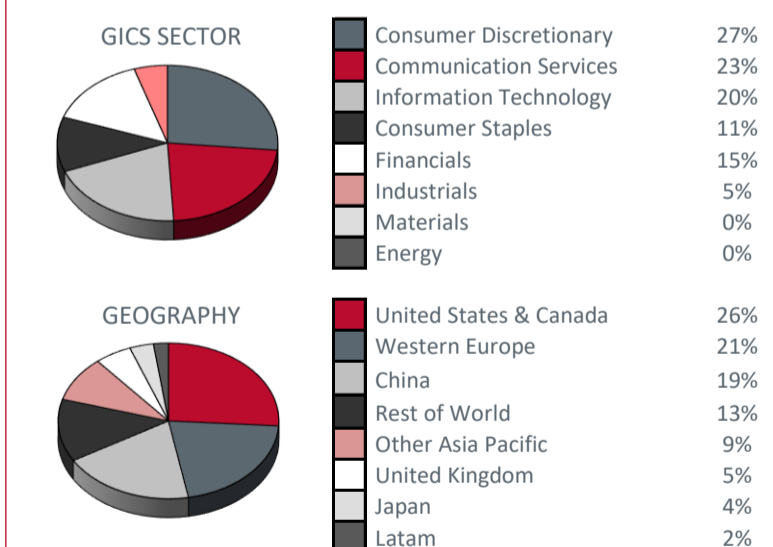
Lowest actual annual return	-27.4%	2 April 2008 to 31 March 2009
Highest actual annual return	26.2%	1 April 2009 to 31 March 2010

Source: JTC Fund Solutions (Guernsey) Limited. All returns have been calculated net of fees (the fees charged within the Fund and by the managers of the underlying funds are not guaranteed and may change in the future.). Past performance is not a guide to future returns.

ANNUAL FUND PERFORMANCE

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Fund	19.7%	5.3%	-14.3%	3.1%	21.9%	5.7%	-1.9%	-7.2%	14.7%	-9.9%	13.9%
Benchmark	14.2%	6.7%	-2.4%	7.9%	10.2%	1.7%	-1.9%	3.4%	12.1%	-4.9%	14.6%
USD Cash	0.1%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.4%	1.0%	1.9%	2.1%

EFFECTIVE EQUITY EXPOSURE



Source: JTC Fund Solutions (Guernsey) Limited

FEES - CLASS A

Total Expense Ratio	1.90%
Custody Fee	0.05%
Cell Manager Fee	1.50%
Management and Administration fee	0.30%
Other fund expenses	0.05%

FUND MANAGER COMMENTARY - AUGUST 2020

Your fund ended the month of August up +7.1% and is now +10.4% year-to-date. The top three largest share price moves for the month were Trupanion (+34.5%), Square Enix (+27.8%) and Zalando (+27%). The underperformers for the month were Heineken Holding (-7%), Aviva SA (-5.2%) and Quilter (-2.9%).

We initiated a new position in Global Payments (GPN), a US-based payments processor. We believe GPN is a high-quality business that will benefit from tech-enabled transformation that will drive low double-digit revenue and mid to high teen EPS growth over a three-to-five-year cycle.

We sold mall owner Hammerson to zero as the company embarked on a dilutive equity raise. The investment case has changed substantially from our initial rationale, and we see little in the pricing of the equity raise, or the ultimate benefit to the Company, that entices us as long-term shareholders.

INVESTMENT COMMENTARY

Equities and selected commodities continued their rise in August. The S&P 500 ended the month at 3580, its 22nd record close for 2020 while the Nasdaq ended at 12,056, its 43rd record close. The gold price ended the month down 1.7%, but still up nearly 28% year-to-date as fears of monetary debasement, and associated higher inflation, continue to rise.

The S&P 500 trailing 12-month PE Ratio ended the month at 30.3x, nearly double its average of 15.8x. Forward looking estimates for the market as a whole stand at 26.7x. While optically expensive, equities remain the only alternative for market participants to achieve growth and inflation protection.

U.S. government debt is set to exceed the size of the economy in 2021 for the first time since World War II. The U.S. passed the 100% debt-to-GDP mark,

measured on a quarterly basis, in the April to June quarter, when government spending surged to combat the new coronavirus and tax revenue plunged.

The US 10-year treasury yield traded at a mere 65bp yield at month end as the bond market responded to the Fed chairman's promise to keep rates lower for longer.

Financial markets continue to anxiously watch the US presidential race. A Fox poll showed Joe Biden leads Donald Trump in three swing states: Arizona, Wisconsin and North Carolina, the survey taken after party conventions indicated the Democratic nominee is being buoyed by women and suburban voters. A democratic win will see a change in US foreign policy, as well as social programs at home.

Data Source: Thomson Reuters Refinitiv, Bloomberg

Fees Applicable

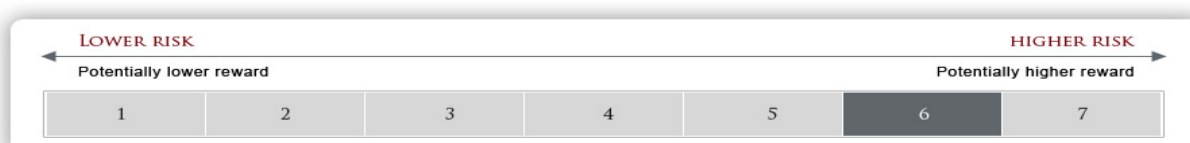
Investment management fee:	Cell manager fees:	Performance Fees
0.30%	Class A Shares: 1.50%	Class A: No performance fee is applicable
Custody fees	Class B Shares: 0.00%	Class B: No performance fee is applicable
0.05%	Class C Shares: 0.65%	Class C: No performance fee is applicable
TER		
The Flagship International Flexible Fund Class A USD has a Total Expense Ratio (TER) of 1.95%. Financial year-end TER 2.00%. The Total Expense Ratios (TERs) are the percentages 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 TERs. The TER to 31 August 2020 is based on data for the period from 28 June 2019 to 30 June 2020 and the financial year-end TER is based on data for the financial year-end to 30 June 2019. 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.		

Risk Considerations and Important Information

- Collective investments are generally medium to long term investments. The value of units may go down as well as up, and past performance is not necessarily a guide to the future. Investment in the Fund entails risks which are detailed in The Supplement.
- Fund share prices per class are calculated on a net asset value basis, which is the total value of all assets in the portfolio attributable to a share class including any income accruals and less any permissible deductions (such as brokerage, taxation, auditor's fees, bank charges, director and custodian fees and the annual management fee) from the portfolio, divided by the number of Fund shares of the class in issue.
- Portfolio performance is calculated on a NAV to NAV basis. Dividends will be paid in accordance with the Scheme and Cell Particulars.
- Collective investments are traded at ruling prices. Commission and incentives may be paid. All performance is calculated Total Return, Net of all fees and commissions and in US dollar terms. Forward pricing is used. Up to date Fund prices per share are available on www.bloomberg.com or upon request from the Manager or Administrator.
- Annualised returns are period returns re-scaled to a period of 1 year. This allows investors to compare returns of different assets that they have owned for different lengths of time. Actual annual figures are available to investors upon request. Investment performance calculations are available for verification upon request. The performance is calculated for the Fund. The individual investor performance may differ, as a result of various factors, including the actual investment date.
- The Fund may invest in other collective investments, which levy their own charges. This could result in a higher fee structure for the Fund.
- Fluctuations in the value of the underlying assets and the income from them and changes in interest rates mean that the value of the Fund and any income arising from it may fall, as well as rise, and is not guaranteed.
- Deductions of charges and expenses mean that you may not get back the amount you invested.
- The fees charged within the Fund and by the managers of the underlying funds are not guaranteed and may change in the future.
- Notwithstanding ongoing monitoring of the underlying assets within the Fund, there can be no assurance that the performance of the Fund will achieve its stated objectives.
- The Fund may contain shares or units in underlying funds that do not permit dealing every day. Investments in such funds will only be realizable on their dealing days. It is not possible to assess the proper market price of these investments other than on the fund's dealing days.
- No borrowing will be undertaken by the Fund save for the purpose of short term liquidity requirements. Borrowings will not exceed 10% of the NAV of the Fund. For such purpose the securities of the Fund may be pledged. No scrip borrowing will be allowed.
- The Manager has the right to close the Fund to new investors, in order to manage it more efficiently, in accordance with its mandate.
- Investment in the Fund may not be suitable for all investors. Investors should obtain advice from their financial adviser before proceeding with an investment.
- Investors are reminded that any forecasts and/or commentary included in this MDD are not guaranteed to occur, and merely reflect the interpretation of the public information and propriety research available to the Investment Manager at a particular point in time.
- This Report should be read in conjunction with the Scheme Particulars of IPFM Guernsey ICC Limited and the Fund Supplement, in which all fees and fund facts are disclosed.
- Copies of these Scheme Particulars, including the Fund Supplement, and the annual accounts of the Scheme, which provide additional information, are available, free of charge, upon request from IPFM Guernsey ICC Limited, Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey, GY1 2HT.
- This Report should not be construed as an investment advertisement, or investment advice or guidance or a proposal or recommendation in any form whatsoever, whether relating to the Fund or its underlying investments. It is for information purposes only and has been prepared and is made available for the benefit of the investors in the Fund.
- Whilst all care has been taken by the Cell Manager in the preparation of the information contained in this Report, neither the Investment Manager nor Cell Manager make any representations or give any warranties as to the correctness, accuracy or completeness of the information, nor does either the Investment Manager or Cell Manager assume liability or responsibility for any losses arising from errors or omissions in the information.
- IPFM Guernsey ICC Limited is an incorporated cell company governed by the provisions of the Companies (Guernsey) Law 2008 as amended. It is authorised as an open-ended Collective Investment Scheme of Class B by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended. In giving this authorisation the Guernsey Financial Services Commission do not vouch for the financial soundness of IPFM Guernsey ICC Limited or for the correctness of any of the statements made or opinions expressed with regard to it.
- Flagship International Flexible Fund IC Limited is an incorporated cell (registered number 48255) of IPFM Guernsey ICC Limited, with registered number 66840.
- JTC Fund Solutions (Guernsey) Limited is the Fund Administrator, licensed by the Guernsey Financial Services Commission, with its registered office at Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey, GY1 2HT.
- IPFM Guernsey ICC Limited is the appointed Investment Manager of the fund and is authorised and regulated by the Guernsey Financial Services Commission, with its registered address at Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey, GY1 2HT.
- Flagship Asset Management (Pty) Ltd is an Affiliate member of the Association of Savings and Investments SA (ASISA) and is an authorised Financial Services Provider pursuant to the Financial Advisory and Intermediary Services Act No.37 of 2002 in South Africa.
- Butterfield Bank (Guernsey) Limited is the Custodian, licensed by the Guernsey Financial Services Commission, with its registered office at PO Box 25, Regency Court, Gategny Esplanade, St Peter Port, Guernsey GY1 3AP.
- IPFM Guernsey ICC Limited does not provide any guarantee, either with respect to the capital or the return of the Fund.
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Fund Risk Profile

- Higher risk investments may be subject to sudden and large falls in value in comparison to other investments. Higher risk investments include, but are not limited to, investments in smaller companies, even in developed markets, investments in emerging markets or single country debt or equity funds and investments in high yield or non-investment grade debt.
- The Fund will contain shares or units in underlying funds that invest internationally. The value of your investment and the income arising from it will therefore be subject to exchange rate fluctuations.
- Foreign securities 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.



Flagship Asset Management (Pty) Limited

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