

Flagship International Flexible Fund IC Limited

Minimum Disclosure Document - 31 August 2022



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FUND MANAGERS

Flagship Global Team

NAV price per share (class 'A') | USc 98.3

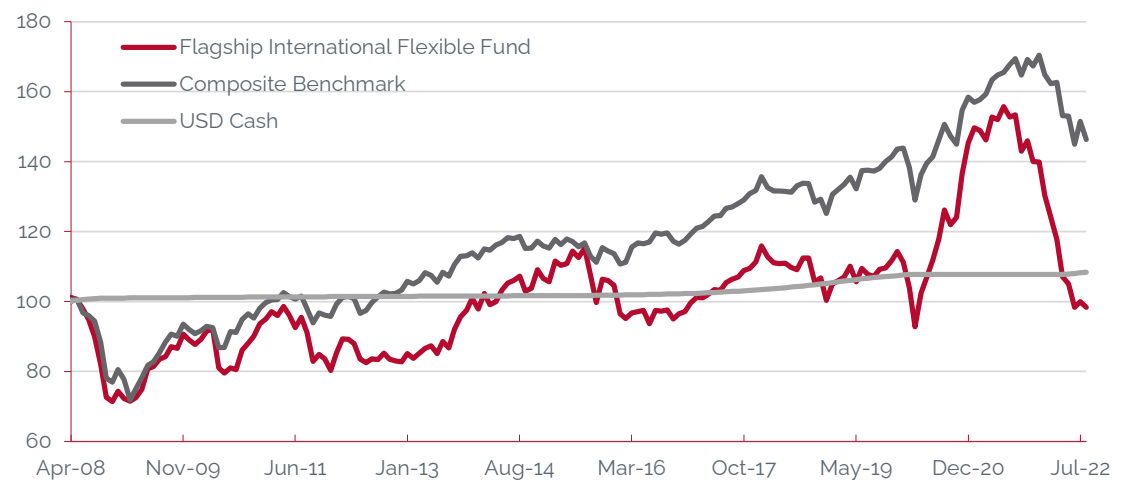
Fund size	\$22.8m
Fund type	Mixed asset fund
Launch date	02 April 2008
Cell Manager	Flagship Asset Management (Pty) Ltd
Investment Manager	IP Fund Managers Guernsey Limited
Administrator	JTC Fund Solutions (Guernsey) Limited
Custodian	Butterfield Bank (Guernsey) Limited
Dealing	Daily
Valuation point	12.00pm (Guernsey time) on the relevant Dealing Day
Dividend policy	All income will be accumulated and invested

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	41.2%
Dicks Sporting Goods	1.4%
Capri Holdings	1.3%
Amazon	1.3%
Applied Materials	1.1%
PagSeguro Digital Ltd	1.1%
Informa PLC	1.0%
Square - Enix Holdings	1.0%
Suncor Energy Inc	0.9%
Schlumberger	0.9%
Sedibelo Platinum	0.9%
Other equity holdings	30.2%
Property	5.0%
Nu-Shares Nuveen Short-Term REIT	5.0%
Bonds	4.7%
Satrix Govi	4.7%
Cash and Strategic Income	44.3%
US Dollar	44.3%
Euro	0.0%
Other offshore cash	0.0%
Commodities	4.8%
Gold	4.8%
TOTAL	100.0%

Source: JTC Fund Solutions (Guernsey) Limited

PERFORMANCE

Annualised Performance (for periods > 1 year)	Fund	Benchmark	Outperformance
Since inception	-0.1%	2.7%	-2.8%
10 Years	3.3%	7.6%	-4.3%
7 Years	-1.8%	5.3%	-7.1%
5 Years	-1.6%	2.9%	-4.4%
3 Years	-2.8%	2.2%	-5.0%
2 Years	-11.7%	-1.4%	-10.3%
1 Year	-35.9%	-13.6%	-22.3%
Year-to-date	-29.7%	-14.2%	-15.5%

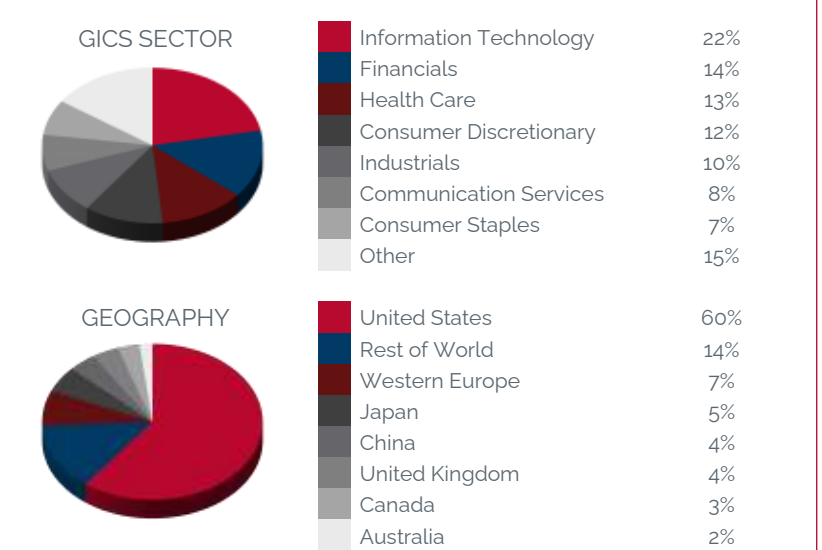
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Fund	-14.3%	3.1%	21.9%	5.7%	-1.9%	-7.2%	14.7%	-9.9%	13.9%	27.1%	-3.7%
Benchmark	-2.4%	7.9%	10.2%	1.7%	-1.9%	3.4%	12.1%	-4.9%	14.6%	10.3%	7.6%
USD Cash	0.1%	0.1%	0.1%	0.1%	0.1%	0.4%	1.0%	1.9%	2.1%	0.3%	0.0%

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.

Flagship International Flexible Fund IC Limited Class A USD |★★★★★

Morningstar Rating™(Relative to Category)				28/02/2021
3-Year	Morningstar Return High	Morningstar Risk Above Average	Morningstar Rating★★★★★	
5-Year	Above Average	Above Average	★★★★★	

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 2022

The Flagship International Flexible Fund returned -1.7% vs -3.4% for its composite benchmark (both in USD), in a month where equity markets again reversed course and turned red. Persistent inflation, strong labour data, and the subsequent outlook of interest rates staying higher-for-longer have dampened the outlook for global growth, dragging most equity markets down in the process.

The biggest contributors for the month were PagSeguro and Dick's Sporting Goods, while the main detractors were Zalando, Informa and Applied Materials.

INVESTMENT COMMENTARY

After enjoying some reprieve in July, August was another tough month for global equities. The S&P 500 was down 4% for the month, and is now down almost 16% year-to-date. The tech-heavy Nasdaq declined 4.5%, while the MSCI All Country World Index fared slightly better, down 3.7%.

US inflation showed its first signs of peaking, as prices increased by 8.5% in July, slightly below the expectation of 8.7% and well below the 9.1% from June. Jobs data in the US remains resilient, as the economy added 528 000 jobs during the month, more than double the expected 250 000. Unemployment also reached its lowest level since the 1960’s, and all those jobs lost during the pandemic have now been recovered.

The fact that employment data remains this strong suggests it is unlikely that a recession will be declared, even though GDP numbers have contracted for 2 quarters in a row, one of the main technical indicators of a recession. This gives the Federal Reserve the freedom to continue with aggressive rate hikes

in their effort to get inflation back to acceptable levels.

The BoE raised rates for the 6th time since December with the largest increase in 27 years, as inflation came in at 10.1% in July. However, in contrast with central banks globally, China reduced policy rates after some macro indicators were worse than expected, notably, the highest unemployment rate on record for 16- to 24-year-olds. China’s economic recovery continues to be hampered by regular and highly restrictive Covid lockdowns.

The Russian offensive in Ukraine seems to have ground to a halt in the face of stiff resistance from the Ukrainians who appear to be making slight advances in the South, taking back occupied territory from the Russian army and launching attacks of their own on Crimean airbases. It’s possible the death of Mikhail Gorbachev, the last president of the Soviet Union and the man widely credited for helping end the Cold War, is an ominous sign for Vladimir Putin and his ambitions of again unifying the former power.

Fees Applicable

Investment management fee:

0.30%

Custody fees

0.05%

Cell manager fees:

Class A Shares: 1.50%

Class B Shares: 0.00%

Class C Shares: 0.65%

Performance Fees

Class A: No performance fee is applicable

Class B: No performance fee is applicable

Class C: No performance fee is applicable

TER

The Flagship International Flexible Fund Class A USD has a Total Expense Ratio (TER) of 1.90%. 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 30 September 2021 is based on data for the period from 1 October 2019 to 30 September 2021 and the financial year-end TER is based on data for the financial year-end to 30 June 2021. 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 date of reinvestment and dividend withholding tax.
- The Fund may invest in other collective investments, which levy their own charges. This could result in a higher fee structure for the Fund.
- A schedule of fees and charges and maximum commissions is available on request from the Manager.
- 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.
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- JTC Fund Solutions (Guernsey) Ltd 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.
- IP Fund Managers Guernsey 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.
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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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