

Flagship IP Worldwide Flexible Fund

Minimum Disclosure Document – 31 October 2023



Navigate Safely Forward

CO-FUND MANAGERS

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NAV 622.1c

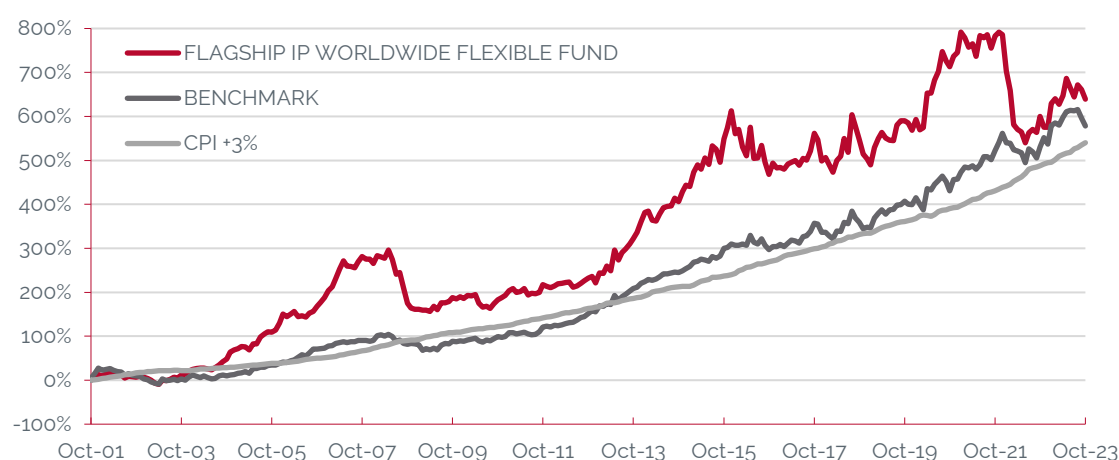
Launch date	05 October 2001	
Fund size	R361m	
NAV - A Class	622.1c	
Benchmark	60% Equity	[30% JSE Allshare, 30% MSCI World - in rands]
	20% Bonds	[10% ALBI, 10% JPMorgan Global Bond Index - in rands]
	20% Cash	[10% Domestic cash, 10% US Overnight call - in rands]

No. of participatory interests	57 949 147
Minimum lump sum investment	R 5 000
Base currency	ZAR
Income declaration - Mar '23	0.00cpu
Income declaration - Sep '23	0.23cpu
Dealing	Daily

FUND OBJECTIVE

To provide long term capital growth from an actively managed portfolio comprising equities, bonds, listed property and cash – both local and foreign. To achieve long term capital growth, the fund will have a bias towards equity (which typically offers the best returns over the long run), but no guidelines have been set for maximum and minimum exposures to any one asset class. Our benchmark is 60% equities, 20% bonds and 20% cash with each category split equally between local and international assets. The fund is classified with ASISA as a Worldwide - Multi Asset - Flexible fund.

PERFORMANCE CHART



FUND EXPOSURES

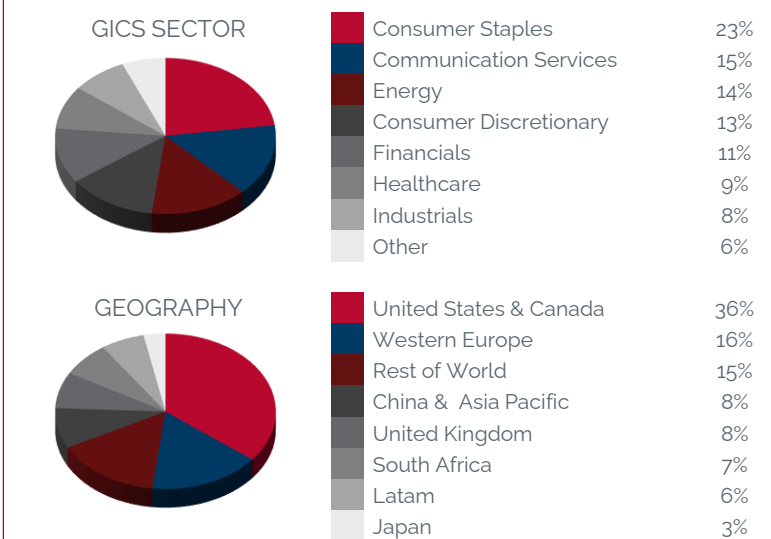
Equity	53.1%
UnitedHealth Group Inc	3.8%
JSE Midcap ETF	3.7%
Schlumberger	3.6%
British American Tobacco	3.3%
Informa Plc	3.3%
Reckitt Benckiser Group Plc	2.6%
iShares Core Dividend Growth ETF	2.4%
Blue Label Telecoms	2.1%
GoldFields	1.9%
Tractor Supply Company	1.8%
Other equity holdings	24.5%
Property	1.4%
Nuveen Short-term REIT	1.4%
Bonds	6.3%
Offshore	0.0%
Domestic	6.3%
Cash	32.1%
Offshore	30.3%
Domestic	1.8%
Commodities	7.1%
Gold	7.1%
TOTAL	100.0%

PERFORMANCE AND RISK

Performance (net of fees)	Fund	Benchmark	Outperformance
Since inception	652.7%	578.5%	74.2%
Since inception (annualised)	9.6%	9.1%	0.5%
10 Years (annualised)	5.8%	8.2%	-2.4%
7 Years (annualised)	3.8%	8.0%	-4.1%
5 Years (annualised)	2.7%	8.1%	-5.4%
3 Years (annualised)	-3.1%	8.5%	-11.6%
1 Year	5.7%	7.6%	-1.9%
Year-to-date	9.5%	6.6%	2.9%

Risk Measures (since inception)	Fund	Sector
Annualised monthly volatility	14.21	9.79
Sharpe ratio	0.08	0.14
Maximum drawdown	-37.3%	-20.9%
Lowest actual annual return	-16.8%	5 October 2007 to 4 October 2008
Highest actual annual return	+46.5%	5 October 2004 to 4 October 2005

EFFECTIVE EQUITY EXPOSURE



ANNUAL FUND PERFORMANCE

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Fund	43.3%	18.1%	31.2%	-18.2%	2.8%	0.8%	10.8%	26.4%	4.8%	-23.7%
Benchmark	25.2%	10.5%	15.8%	-1.5%	8.2%	2.7%	11.3%	11.7%	18.5%	-3.3%
Sector	32.5%	10.3%	12.6%	-3.9%	7.8%	-1.5%	13.2%	10.9%	20.0%	-8.1%

FEES

	1 Year	3 Year
Total Expense Ratio (incl. VAT)	2.31%	2.19%
Fund management fee (excl. VAT)	1.75%	1.75%
VAT on fund management fee	0.26%	0.26%
Fund expenses (incl. VAT)	0.30%	0.18%
Transaction Costs (incl. VAT)	0.20%	0.39%
Total Investment Charge (incl. VAT)	2.51%	2.58%

FUND COMMENTARY - OCTOBER 2023

The Flagship IP Worldwide Flexible Fund returned -2.8% vs its composite benchmark which was down -2.6% (both in ZAR), as equity markets continued to struggle amid macro uncertainty.

The biggest contributors for the month were United Health, Blue Label Telecoms, and gold, while the main detractors were Becele and Pagseguro. During the month, we entered new positions in Goldfields, Coca Cola Femsa, and Jumbo, while closing positions in Tapestry, Ultra Clean Technologies, Alphabet, Qualcomm, Credicorp and Pagseguro.

As required by legislation, we confirm that the fund has adhered to its policy objective and strategy.

MARKET COMMENTARY

October was another red month for global equities. In the US, the S&P 500 fell 2.1% while the Nasdaq declined by 2.8%. Things did not improve as you look further East. London's FTSE 100 was down 3.7% while the Hang Seng dropped 3.9%. The MSCI ACWI and Emerging Markets Index returned -3.0% and -3.9% respectively. Amid global uncertainty, tensions in the Middle East and a rush to safety, gold performed well, increasing by 7.3%. The price of Brent Crude oil, however, declined by 8.3%, as concerns around global demand outweighed fears of oil disruption in the Middle East.

Hiding places were few and far between. US Treasuries continued their selloff with the yield on the US 30 Year bond passing 5% for the first time in decades. Since March 2020, US Treasuries with 10 year or longer maturities have plummeted more than 46% – ranking as the deepest bond bear market in the 247 year history of data compiled by Bank of America. Concerns also remain regarding the size of US debt issuance, with both Q4 2023 (\$750 billion) and Q1 2024 (\$816 billion) set to be record numbers.

Geopolitical tensions ratcheted up quite a few levels over the course of the month, adding to an already unstable economic environment. Palestinian militant group, Hamas, launched a large-scale surprise attack on Israel, taking more than 200 prisoners and killing hundreds of civilians. This prompted a

massive retaliation from Israel, and other regional powers like Iran and Hezbollah have warned that the conflict could destabilise the entire region.

The Ukrainian army is also facing an uphill battle to secure funding for the war effort, as some Republicans want the taps of US aid to be turned off. This "war fatigue" is something that Putin has long counted on. To top things off, Putin also claims that Russia has successfully tested a nuclear-powered cruise missile, which potentially gives it unlimited range.

In South Africa, the Boks won the World Cup. Again. Everything else was a side issue. We were, however, tantalizingly close to not being able to do so with the presence of our national flag and anthem, as Government had failed to align policies to match World Anti-Doping Association requirements. This, despite having ample time and warning to do so. Cyril Ramaphosa, however, had no qualms with strong-arming his way onto the winners podium, to bask in the reflected after-glow from the win.

The JSE All Share also had a tough month, dropping by 3.4%. Renowned economist, Dawie Roodt, warned that the Rand is on track to breach R25/\$ within the next 2/3 years, and given our dire fiscal situation, ballooning debt burden, and lack of economic growth – this does not seem farfetched.

Risk Considerations and Important Information

- Collective Investment Schemes in Securities (unit trusts) are generally medium to long term investments.
- The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to the future. The manager does not provide any guarantee either with respect to the capital or the return of a portfolio.
- Unit trusts are traded at ruling prices and can engage in scrip lending subject to the limits and conditions imposed by the Act.
- The manager may borrow up to 10% of the market value of the collective investment scheme portfolio to ensure liquidity.
- Unit trust prices are calculated on a net asset value basis, which is the total value of all assets in the portfolio including any income accruals and less any permissible deductions (brokerage, Uncertificated Securities Tax, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio, divided by the number of units in issue.
- A schedule of fees, charges and maximum commissions is available on request. Commission and incentives may be paid, and if so, are included in the overall costs.
- The unit trust portfolios are priced daily at 15h00 (quarter end 17h00), using forward pricing. Dealing cut-off time is 14h30 daily.
- Units will be repurchased by the manager at the ruling price calculated in accordance with the requirements of the Act and the relevant deeds and paid to the investor only. Subject to occurrences beyond the control of Flagship Asset Management (FAM), transaction requests received by FAM before 14h30 will be actioned at that day's price. Monies from the repurchase of units will not be paid to third party bank accounts.
- FAM reserves the right to repurchase unit balances with a market value less than the minimum monthly investment amount and close the investment account. Investors will be notified beforehand should this be contemplated.
- Portfolio performance is calculated on a NAV to NAV basis and does not take any initial fees into account. Figures quoted are from Reuters and Moneymate for a lump sum using NAV-NAV prices with income distributions reinvested. Income is reinvested on the ex-dividend date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Investment performance calculations are available for verification upon request.
- Income distributions for the fund occur bi-annually on 31 March and 30 September.
- 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.
- SARS requires us to pay over Dividend Withholding Tax (DWT) on your behalf where applicable. We will deduct this tax before we pay any dividends to you or reinvest into your account. Unless we receive information from you indicating otherwise, we will be obliged to withhold the default DWT of 20%.
- The EAC is a standard industry measure which has been introduced to allow you to compare the charges you incur and their impact on the investment returns over specific periods. Please visit <http://www.ipmc.co.za/effectiveannual-cost> to address the EAC illustrator. You can request an EAC calculation from clientservices@ipmc.co.za or call us on 021 673-1340
- Fund prices are published daily and available in newspapers countrywide, as well as on our website, www.flagshipsa.com. Also available on our website is additional information on the unit trust portfolio, including our Application Form. FAM reserves the right to only process instructions that are submitted on FAM standard transaction forms.
- Flagship Asset Management (Pty) Ltd is an authorised financial services provider (FSP 577). Trustees / custodians for the scheme are Standard Bank of South Africa Ltd – contact compliance-IP@standardbank.co.za. IP Management Company Reg. No. 2007/01760/07 is the authorised manager of the scheme – contact 021 673 1340 or clientservice@ipmc.co.za. IP Management Company (RF) (Pty) Ltd is a member of the Association for Savings & Investment SA (ASISA).
- The Manager retains full legal responsibility of the Fund, regardless of co-naming arrangements.
- Additional information including the annual report of the Manager and detailed holdings of the portfolio as at the last quarter end are available, free of charge, from info@flagshipsa.com.
- A statement of changes in the composition of the portfolio during the reporting period is available on request.
- Complaints should be in writing and clearly marked for the attention of the Compliance Officer and should be mailed to Private Bag X21, Constantia, 7848.

Investment Policy

The Flagship IP Worldwide Flexible Fund is a Worldwide-Asset Allocation portfolio in the Flexible Portfolio Sector. The primary objective of the Flagship IP Worldwide Flexible Fund is to offer medium to long-term capital growth. The portfolio will invest in a flexible combination of investments in equity, bond, money or property markets to maximise total returns over the long term. The portfolio will be actively managed with exposure to various asset classes being varied to reflect changing economic and market circumstances, in order to maximise returns for investors.

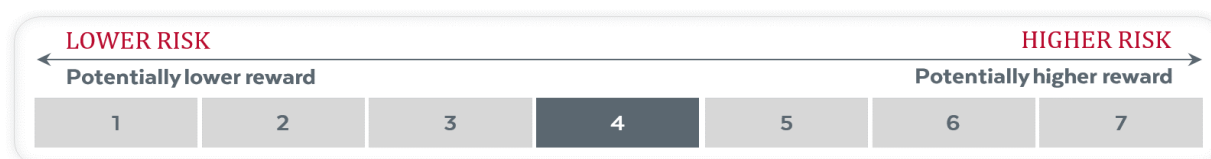
In order to achieve its objective, the investments normally included in the Flagship IP Worldwide Flexible Fund will comprise a combination of local and foreign securities, exchange securities, stock including loan stock, financially sound listed property investments and participatory interests in portfolios of collective investment schemes in property shares, assets in liquid form and any other securities which are considered consistent with the portfolio's primary objective and the Act or the Registrar may from time to time allow, all to be acquired at fair market value. To the extent permitted by legislation, the fund may use exchange traded funds and financial instruments to implement specific investment views.

TER and Transaction Costs

From 1 July 2020 to 30 June 2023 2.19% of the value of the fund was incurred as expenses relating to the administration of the fund. 0.39% of the value of the fund was incurred as costs relating to the buying and selling of the assets underlying the fund. Therefore, 2.58% of the value of the fund was incurred as costs relating to the investment 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 TER's. Transaction Costs are a necessary cost in administering the fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER.

Fund Risk Profile

- The fund managers seek to reduce risk by investing in a range of assets diversified across sectors and geographies, with the flexibility to vary exposures as market circumstances dictate.



- Shares are potentially volatile investments and there is a risk of capital loss over the short term.
- 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.
- Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down.

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