

Flagship IP Worldwide Flexible Fund

Minimum Disclosure Document – 30 November 2023



Navigate Safely Forward

CO-FUND MANAGERS

Philip Short, James Hayward

NAV 645.9c

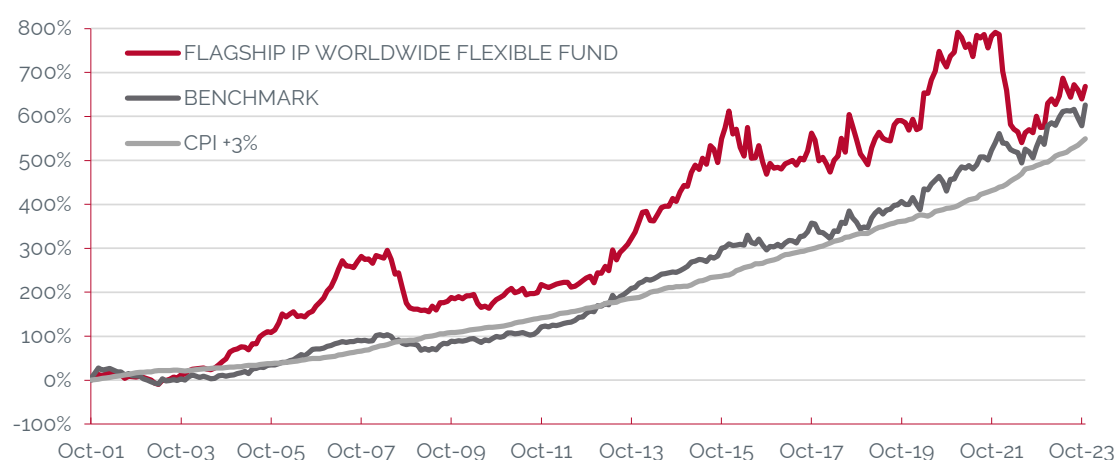
Launch date	05 October 2001	
Fund size	R372m	
NAV - A Class	645.9c	
Benchmark	60% Equity	[30% JSE Allshare, 30% MSCI World - in rands]
	20% Bonds	[10% ALBI, 10% JPMorgan Global Bond Index - in rands]
	20% Cash	[10% Domestic cash, 10% US Overnight call - in rands]

No. of participatory interests	57 614 051
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

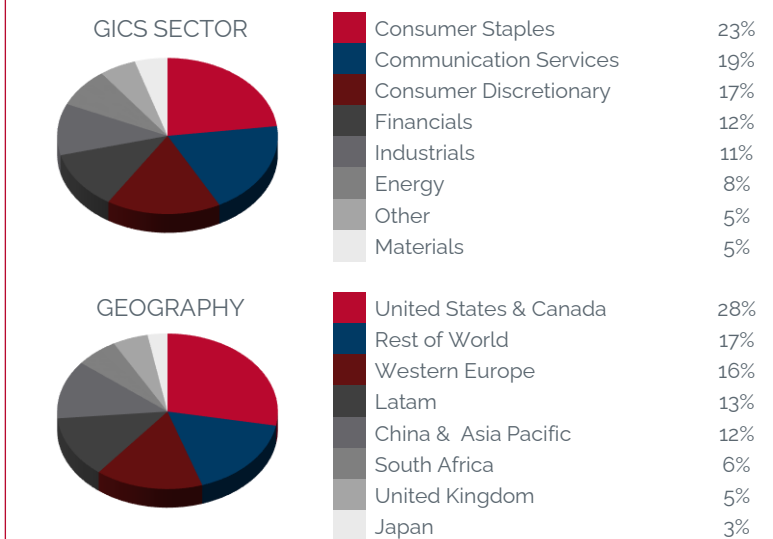
Equity	60.4%
JSE Midcap ETF	3.8%
British American Tobacco	3.5%
Informa Plc	3.4%
Meta Platforms	3.3%
Reckitt Benckiser Group Plc	2.6%
Coca-Cola FEMSA SAB DE CV	2.5%
Gold Fields Ltd	2.4%
Blue Label Telecoms	2.4%
StoneCo	2.2%
Legal & General Group	2.0%
Other equity holdings	32.5%
Property	1.5%
Nuveen Short-term REIT	1.5%
Bonds	6.3%
Offshore	0.0%
Domestic	6.3%
Cash	27.2%
Offshore	23.7%
Domestic	3.4%
Commodities	4.5%
Gold	4.5%
TOTAL	100.0%

PERFORMANCE AND RISK

Performance (net of fees)	Fund	Benchmark	Outperformance
Since inception	681.5%	625.6%	55.9%
Since inception (annualised)	9.7%	9.3%	0.4%
10 Years (annualised)	5.8%	8.8%	-3.0%
7 Years (annualised)	3.8%	8.7%	-5.0%
5 Years (annualised)	4.6%	10.3%	-5.8%
3 Years (annualised)	-2.8%	9.3%	-12.1%
1 Year	13.8%	11.3%	2.5%
Year-to-date	13.6%	14.0%	-0.3%

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)	2.25%	2.18%
Fund management fee (excl. VAT)	1.75%	1.75%
VAT on fund management fee	0.26%	0.26%
Fund expenses (incl. VAT)	0.24%	0.17%
Transaction Costs (incl. VAT)	0.34%	0.41%
Total Investment Charge (incl. VAT)	2.59%	2.59%

FUND COMMENTARY - NOVEMBER 2023

The Flagship IP Worldwide Flexible Fund returned 3.8% vs its composite benchmark which was up 6.9% (both in ZAR), as equity and bond markets experienced a particularly strong start to the Santa rally.

The biggest contributors for the month were Endava and Stone, while the main detractors were Alibaba and Schlumberger. During the month, we entered new positions in Stone, Expedia, Petrobras, Jumbo and Rolls Royce, while closing positions in Endava and Credicorp.

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

MARKET COMMENTARY

Stocks were early to the Santa-rally this year, with most major indices delivering strong returns for the month. In the US, the S&P 500 and Nasdaq returned 9.1% and 10.8% respectively. Across the pond, London's FTSE 100 returned 2.3% while further East Japan's Nikkei 225 also had a strong month, returning 8.5%. The notable exception was Hong Kong's Hang Seng Index, which closed the month marginally in the red. Positive returns were not limited to equities, as US Bond prices also staged a recovery during the month. The yield on 10- and 30-year government bond yields declined by 12.2% and 11.8% respectively, as traders bought up high-yielding bonds in a bet that interest rates will start falling sooner rather than later.

Much of the strong performance can be attributed to US CPI numbers coming in slightly softer than expected, and the market again raising its hopes that a soft landing is indeed possible. Worrying signs remain, however, as large corporates continued to send out profit warnings for Q4 and 1H24. Concerns about the level of US debt also linger, and would have been one of the driving forces behind gold, which reached all-time highs in early December '23.

There were several significant world events over the last few weeks. Front and centre was probably Xi Jinping's visit to the US for the first time in 6 years. A lot has changed since his previous meeting with Donald Trump at Mar-a-Lago.

Both countries were looking to ease relations which have been tense in recent years, with Xi emphasizing that his country is not looking for a hot or cold war with the US. After the largely positive summit, Biden confirmed that he still regards Xi to be a dictator, so they probably aren't pen pals just yet.

On the topic of politics, the global resurgence of right-leaning politicians continues, as both the Netherlands and Argentina's elections led to resounding victories for politicians that some consider far-right, and follows similar results in countries like Italy, Finland and Sweden.

Local investors also enjoyed a very strong month. The JSE All Share Index returned 8.5%, while the resources and financials indices improved by 6.4% and 13.1% respectively.

Local business conditions remain dire, though, and November saw a return to high-level loadshedding. The government also continues to excel at turning friends into enemies as the Minister in the Presidency stated that the private sector is trying to collapse the country. This statement was, rightly, not received kindly by the business community. Ironically, the local unemployment rate somehow again decreased, certainly in no small part thanks to the same private sector that is trying to make government's job difficult...

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 October 2020 to 30 September 2023 2.18% of the value of the fund was incurred as expenses relating to the administration of the fund. 0.41% of the value of the fund was incurred as costs relating to the buying and selling of the assets underlying the fund. Therefore, 2.59% 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.

Flagship Asset Management (Pty) Limited

ICR House • Alphen Park • Main Road • Constantia • 7806 | Private Bag X21 • Constantia • 7848 • South Africa | Telephone +27 (21) 794 3140 • Facsimile +27 (21) 794 3135

Directors: WT Floquet CA (SA) MBA (chairman) | S de V Hudson BA LLB (ceo) | PD Floquet BCom CA (SA) CFA | NRO Brown BCom CA(SA)

www.flagshipsa.com | info@flagshipsa.com

