

September 2020

Cordatus FoF Report

Worldwide Flexible Prescient Fund of Funds A1



Return for the quarter ending 30 September 2020 %

| CORDATUS | WORLDWIDE FLEX FOF | % |
|----------------------|-----------------------------|-------|
| SA Equity | FTSE/JSE All Share | 0.7 |
| SA Property | FTSE/JSE SA Listed Property | -14.1 |
| SA Bonds | BEASSA All Bond | 1.5 |
| SA Preference shares | FTSE/JSE Preference Share | -4.8 |
| SA Cash | STeFI Call Deposit | 0.9 |
| SA Inflation | Urban, All Areas | 2.0 |

Change in holdings 09.2020 06.2020

| | 09.2020 | 06.2020 |
|---|---------|---------|
| Ninety One Global Franchise Feeder Fund H | 13.9 | 14.0 |
| Nedgroup Invest Global Equity Feeder Fund B2 | 13.6 | 13.3 |
| PSG SA Equity Fund Class D | 12.7 | 12.3 |
| Coronation Equity Fund B4 | 11.7 | 11.6 |
| Coronation Bond Fund P | 11.1 | 11.2 |
| Prescient Core Equity Fund A2 | 10.4 | 10.6 |
| Coronation Global Emerg Mkts Flexible Fund B4 | 10.3 | 5.0 |
| Prescient Income Provider Fund B1 | 8.8 | 8.8 |
| Prudential Equity Fund Class F | 7.2 | 12.5 |
| Coronation Strategic Income Fund B4 | 0.3 | 0.4 |
| Portfolio Cash | 0.1 | 0.4 |

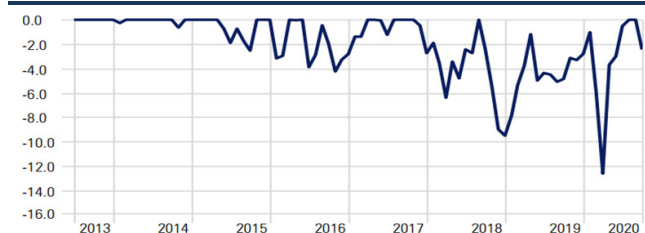
Manager contribution % Return Contri

| | Return | Contri |
|---|--------|--------|
| PSG SA Equity Fund Class D | 5.2 | 0.6 |
| Nedgroup Investments Global Equity Feeder Fund B2 | 3.9 | 0.5 |
| Coronation Equity Fund B4 | 3.1 | 0.4 |
| Coronation Global Emerging Markets Flex Fund B4 | 5.5 | 0.3 |
| Prudential Equity Fund Class F | 1.6 | 0.2 |
| Ninety One Global Franchise Feeder Fund Class H | 0.9 | 0.1 |
| Prescient Income Provider Fund B1 | 1.0 | 0.1 |
| Coronation Bond Fund P | 0.9 | 0.1 |
| Coronation Strategic Income Fund B4 | 1.1 | 0.0 |
| Prescient Core Equity Fund A2 | -0.2 | 0.0 |

Asset Allocation % 09.2020 06.2020

| | 09.2020 | 06.2020 |
|----------|---------|---------|
| Equity | 77.4 | 76.8 |
| Property | 0.3 | 0.5 |
| Bonds | 15.9 | 13.6 |
| Prefs | 1.5 | 0.3 |
| Cash | 4.5 | 7.6 |
| Other | 0.4 | 1.3 |
| Domestic | 57.0 | 60.6 |
| Offshore | 43.0 | 39.4 |

Risk: Drawdown



Risk: Rolling period returns AT 09.2020 5 yrs 3 yrs 1 yr

| | 5 yrs | 3 yrs | 1 yr |
|---------------------|-------|-------|------|
| Maximum return over | 10.0 | 13.1 | 23.8 |
| Average return over | 5.8 | 5.8 | 6.4 |
| Minimum return over | 1.9 | -1.1 | -9.2 |

All figures in ZAR %

| | % |
|--------------------|------|
| Offshore Equity | 3.6 |
| Offshore Property | -2.3 |
| Offshore Bonds | -1.2 |
| Offshore Inflation | -2.4 |
| Offshore Cash | -4.0 |
| ZAR vs USD | 3.8 |
| ZAR vs GBP | -0.1 |

Manager activity during the quarter

The only change to managers during the quarter was a reduction in Prudential Equity to fund an increased exposure to emerging markets via our existing Coronation Global Emerging Markets Flex Fund. Further, early in the quarter we realised some of offshore developed market exposure, anticipating ZAR strength, adding to the PSG SA Equity Fund.

Contributions to FoF quarterly return

The risk-on global environment during the quarter favoured 2 funds, namely, the PSG SA Equity Fund and the Coronation GEM Flexible Fund. Amongst our developed market managers, this environment also favoured Nedgroup Inv Global Equity Fund, while Ninety One's Global Franchise Fund lagged. Multi-asset income managers (Prescient Income Provider & Coronation Strategic Income) slightly outperformed our bond position held via Coronation Bond Fund. The Prescient Core Equity Fund, which tracks the JSE SWIX Index, struggled due to the large Naspers & Prosus exposure within the Fund.

Changes in asset allocation

The move to increase broader emerging market exposure resulted in overall equity exposure remaining constant at around 77%, while the exposure to domestic equity fell as offshore equity rose.

A note on portfolio risk

Drawdown measures the peak-to-trough decline during a specific period, quoted as a percentage between the latest peak and subsequent trough of the FoF, before a new peak is achieved. It is instructive when measuring the loss to the portfolio during a period and the subsequent return required to return to the previous peak of the portfolio. The drawdown profile shown alongside depicts the increased volatility being experienced in risk markets over the past 2 years. Asset allocation intervention during such periods is necessary to compress the recovery time factor and/or limit further downside. The appropriate period over which to measure performance of the FoF is 5-year rolling periods given its risk profile. Shorter periods are linked to a higher variance in returns.

Adherence to Fund Policy Objective

The FoF has adhered to its Policy Objective, as stated in the Supplemental Deed, in all respects during the quarter. There are no unresolved breaches to report from prior periods.

Total Investment Charge (TIC) % 06.2020 06.2019 06.2018

| | 06.2020 | 06.2019 | 06.2018 |
|-----------------------------|---------|---------|---------|
| Worldwide Flex FoF Class A1 | 1.55 | 1.59 | 1.64 |
| Worldwide Flex FoF Class A1 | 2.18 | 2.22 | 2.27 |

Income Distribution (cpu) 03.2020 03.2019 03.2018

| | 03.2020 | 03.2019 | 03.2018 |
|-----------------------------|---------|---------|---------|
| Worldwide Flex FoF Class A1 | 3.70 | 3.38 | 2.88 |
| Worldwide Flex FoF Class A1 | 2.86 | 2.46 | 1.98 |

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