

PPS GLOBAL BALANCED FUND OF FUNDS



INVESTMENTS

As of 30/06/2021

FUND DESCRIPTION

This is a multi-managed global balanced fund of funds that invests in foreign markets and is diversified across managers and strategies. The fund will typically have at least 60% invested in global equity markets. The fund will have a bias to managers that invest in developed markets, and who complement each other. The fund is suitable for investors with discretionary assets they wish to invest in foreign markets, or as part of a building block approach in a Regulation 28 portfolio, and who do not wish to make the foreign manager selection themselves.

The PPS Global Balanced Fund of Funds aims to consistently outperform its benchmark over consecutive 60-month periods. It is benchmarked against a global composite that is typical of the funds in its ASISA unit trust sector.

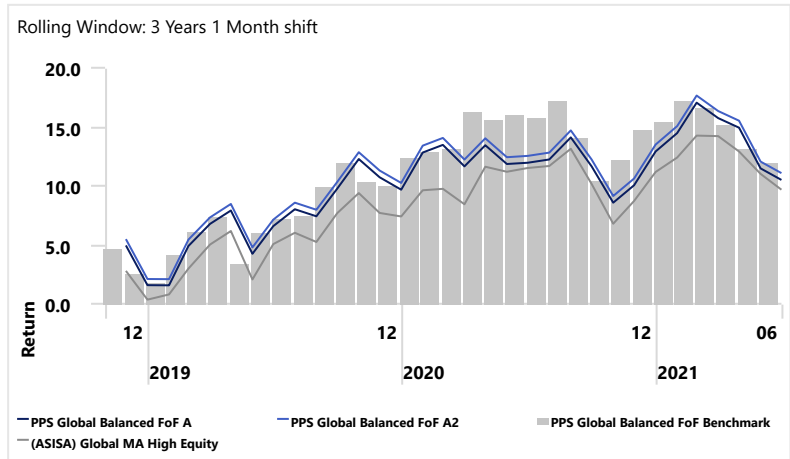
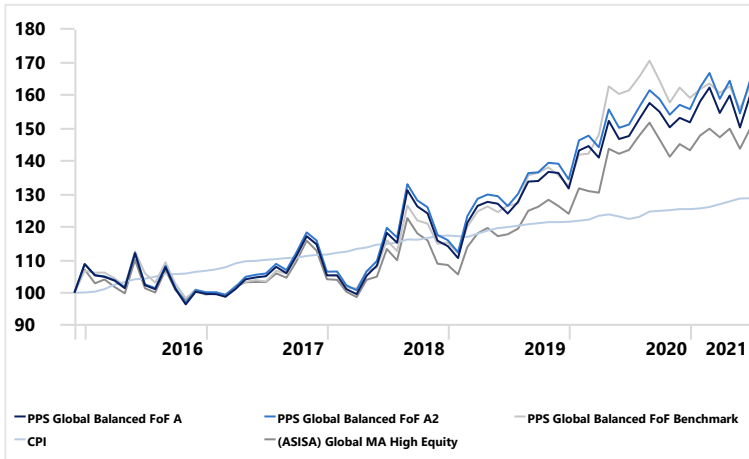
FUND OVERVIEW

List of classes*	A & A2 class
Portfolio category	Global Multi-Asset (MA) High Equity
Launch date	1 December 2015 (A & A2)
Investment manager	PPS Multi-Managers Proprietary Limited (authorised FSP)
Benchmark	MSCI All Country World Index (ACWI)
Income distribution	Half-yearly
Investment horizon	Long-term - five years and longer
Portfolio size	R 996 820 091
Market value (NAV price per unit)	161.90 (A); 166.21 (A2)
Number of units held	1 705 841 (A); 136 086 653 (A2)
Manager fee (excl. VAT)	1.15% (A) ; 0.70% (A2)
Trustee	Standard Chartered Bank
Risk profile	High

*On PPS Investments platform, A2 class is available in Select range and A class is available in Original range

ILLUSTRATIVE PERFORMANCE

Estimated growth of R100 000 invested with all distributions reinvested (for illustrative purposes only). Growth is represented in R '000

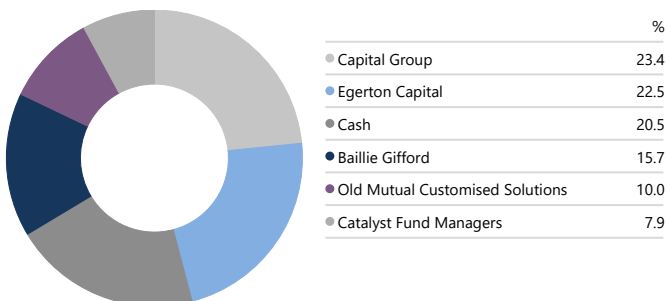


ANNUALISED PERFORMANCE

	3 months	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception
PPS Global Balanced FoF A	3.32%	8.22%	10.57%	9.34%	—	—	9.12%
PPS Global Balanced FoF A2	3.44%	8.78%	11.15%	9.90%	—	—	9.68%
PPS Global Balanced FoF Benchmark	1.34%	1.15%	12.29%	9.28%	11.51%	15.33%	9.48%
(ASISA) Global MA High Equity	1.68%	4.41%	9.75%	8.12%	9.57%	13.97%	7.50%

	YTD 2021	2020	2019	2018	2017	2016	2015	2014
PPS Global Balanced FoF A	5.25%	15.30%	15.34%	8.47%	5.66%	-8.34%	—	—
PPS Global Balanced FoF A2	5.52%	15.89%	15.95%	9.01%	6.21%	-7.88%	—	—
PPS Global Balanced FoF Benchmark	2.38%	20.61%	15.49%	9.64%	6.30%	-6.38%	31.50%	13.52%
(ASISA) Global MA High Equity	4.48%	15.54%	14.38%	4.16%	4.20%	-6.69%	29.67%	9.79%

ASSET MANAGERS



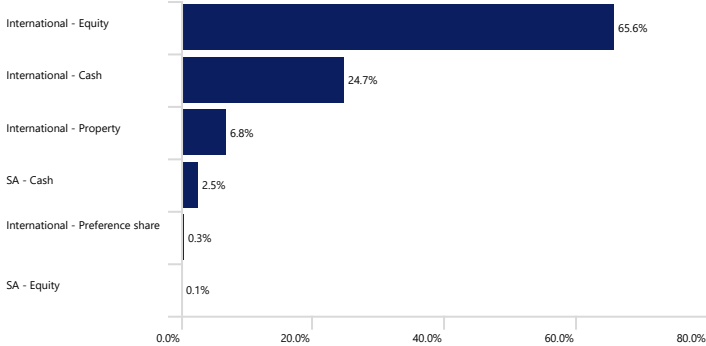
RISK METRICS**

Metric	A	A2	Benchmark	Category Average
Annualised Standard Deviation	16.4%	16.4%	13.9%	14.1%
Maximum Drawdown	-13.9%	-15.5%	-13.4%	-14.8%
Percentage of Positive months	52.5%	52.5%	54.1%	49.2%
Information Ratio	-0.25	-0.17	—	—
Sharpe Ratio	0.26	0.30	—	—

**Risk metrics calculated over a 5 year period

As of 30/06/2021

ASSET ALLOCATION



PORTFOLIO DETAIL

Top 10 Holdings	Allocation	Region
ALPHABET INC	2.6%	USA
MICROSOFT CORP	2.4%	USA
TESLA INC	2.1%	USA
AMAZON	1.6%	USA
FACEBOOK INC	1.5%	USA
TAIWAN SEMICONDUCTOR MANUFACTURING	1.5%	Taiwan
CANADIAN PACIFIC RAILWAY LTD	1.2%	Canada
VISA INC	1.0%	USA
CHARTER COMMUNICATIONS INC	0.9%	USA
OCADO GROUP	0.9%	UK

HIGHEST & LOWEST RETURNS SINCE INCEPTION (12-month rolling performance)

	A	A2
Highest	29.6%	30.3%
Highest Month End Date	31/01/2020	31/01/2020
Lowest	-8.3%	-7.9%
Lowest Month End Date	31/12/2016	31/12/2016

1 YEAR FEES (%) (INCLUSIVE OF VAT)

Fees	A	A2
Total expense ratio (TER)	1.77	1.26
Transaction costs (TC)	0.04	0.04
Total investment charge (TER+TC)	1.81	1.30

3 YEAR FEES (%) (INCLUSIVE OF VAT)

Fees	A	A2
Total expense ratio (TER)	1.86	1.33
Transaction costs (TC)	0.03	0.03
Total investment charge (TER+TC)	1.89	1.36

FUND COMMENTARY

This FoF targets outperformance of a composite foreign equity:bond benchmark over rolling five years. Diversification is achieved on an asset class and manager level, with the FoF relying on specialist equity, property and fixed interest managers to outperform the benchmark.

Global equities rallied this quarter, led by developed markets, where the vaccine roll-out has progressed at a steady pace. Amongst developed markets, the US equity market performed particularly strongly, reaching new all time highs, driven mainly by the technology sector. Global real estate outperformed the MSCI ACWI, while global bonds declined against the backdrop of a more hawkish shift in the tone from the US Federal Reserve. This quarter the FoF delivered strong performance, outperforming both its benchmark and the ASISA category average.

Year-to-date (in rands), foreign equities (up 9.2%) outperformed foreign bonds (down 5.2%), but both were outpaced by foreign listed real estate (up 12.7%), which has been reaching new highs. Growth assets have been supported by the strong rebound in economic activity this year and the supportive policy backdrop. Emerging markets have however lagged, with their much slower vaccine roll-out affecting their pace of normalisation. The FoF continues to be overweight equities and listed property while holding virtually no government bonds, which we consider overvalued.

Over the past five years (in rands), foreign equities (up 14.0% p.a.) have outperformed foreign property (up 4.1% p.a.) and foreign bonds (up 1.1% p.a.), with US equities having been a major driver of stock market returns. The FoF has been overweight foreign equities and foreign property over this five-year period, and has outperformed both the peer group, and its 60/40 benchmark.

There were no manager or asset allocation changes over the quarter, and the FoF continues to hold a concentrated selection of managers that we consider best-of-breed. Although we have done extensive research on various global bond fund options, the asset class remains highly unattractive, and will likely remain so for an extended period. We are however able to allocate to the asset class should circumstances call for a reduction in the current underweight. For now, the portfolio remains suitably diversified across foreign equity, real estate, and cash, relying on a variety of high conviction specialist managers.

As of 30/06/2021

DISCLOSURES

Collective Investment Schemes in Securities (CIS) 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 future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending up to 10% of the market value of the portfolio to bridge insufficient liquidity. The manager does not provide any guarantee either in respect of the capital or the return of a portfolio.

Total Expense Ratio (TER) is a measure that can be used by investors and advisers to determine how much of a CIS's underlying assets are relinquished as payment for services rendered in the administration of the CIS. 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 (TC) is a measure that can be used by investors and advisers to determine the costs incurred in buying and selling assets underlying the CIS. TC's are a necessary cost in administering the CIS and impact CIS's 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 CIS, the investment decisions of the investment manager and the TER.

Total Investment Charges (TIC) is a measure of total cost relating to the investment. TIC is the sum of the total expense ratio (TER) and the transaction cost (TC).

TER's and TC's are expressed as a percentage of the daily net asset value of the CIS calculated over the past one year and three-year period on an annualised basis. The TER and TC disclosed are estimates based on our best estimate of the underlying costs.

These performance figures are for lump sum investments with income distributions reinvested on the ex-dividend date. All PPS Multi-Managers performance figures and values are quoted after the deduction of costs and applicable taxes incurred within the Fund. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of the reinvestment of income and dividend withholding tax. The reinvestment of income is calculated based on actual distributed amount and factors such as payment date and reinvestment date will be considered. Please note that performance over periods greater than one year is annualised. Annualised performance is the average return earned on an investment each year over a given time period. Performance is based on NAV to NAV calculations and calculated on a rolling monthly basis. The past performance is relevant to the investment or the service offered by the manager.

This fund is exposed to foreign securities and as such, it may be subject to the macroeconomic, settlement risks and political risks brought about by this exposure. It may also be subject to currency risk, which means the underlying investments of the fund could depreciate or appreciate against the reporting currency of the investor. Because these securities are listed on other exchanges, it may be subject to the relevant regulatory authority, and thus the tax implications and legislative changes of that particular entity. There may also be delays in realizing investments, due to system or liquidity issues experienced by the respective exchange. In addition, market and investment value fluctuations may occur. Overall, please be advised that, as indicated by the risk profile and potentially influenced by asset allocation, risks may be associated with this fund such as general market risk, company risk, credit risk, counterparty risk and third party operational risk.

Unit Trust prices are calculated on a Net Asset Value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses from the Fund divided by the number of units in issue. Transactions must be received by the Management Company (MANCO) by 2pm to receive the net asset value price for that day. Transaction requests received after this cut off time will only be processed on the next business day, and will receive the price of that day. Linked Investment Service Providers (LISP), specify their own transaction timelines and may take up to five business days to process. Portfolio valuations occur at 3 p.m. on business days, except the last business day of the month, when it will be 5pm. Prices are published daily and are available in the daily newspapers.

A schedule of fees, charges and maximum commissions are available on request. This fund does not charge performance fees.

The manager may close the portfolio to new investors to ensure the portfolio is managed according to its mandate.

Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge.

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