

Cinnabar SCI* Balanced Plus Fund of Funds

Minimum Disclosure Document

As of 31/01/2023



CINNABAR
INVESTMENT MANAGEMENT

MDD Issue Date: 21/02/2023

Fund Objective

The objective of the portfolio is to provide investors with a moderate long term total return.

Fund Strategy

Investments to be included in the portfolio will, apart from assets in liquid form, consist solely of participatory interests in portfolios of collective investment schemes registered in the Republic of South Africa. The portfolio will consist of a mix of collective investment scheme portfolios investing in equity, bonds and property and money market instruments. The portfolio's equity exposure will range between 0% and 75% of the portfolio's net asset value. The Fund is Regulation 28 compliant. The portfolio will also be allowed to invest in listed and unlisted financial instruments (derivatives) as allowed by the Act from time to time. The Manager shall be permitted to invest on behalf of the portfolio in offshore investments as legislation permits.

Fund Information

Ticker	GCBFA
Portfolio Manager	Cinnabar Investment Management Team
ASISA Fund Classification	South African - Multi Asset - High Equity
Risk Profile	Moderate Aggressive
Benchmark	ASISA Category Avg: SA - Multi Asset - High Equity
Fund Size	R 717,061,965
Portfolio Launch Date*	29/07/2014
Fee Class Launch Date*	29/07/2014
Minimum Lump Sum Investment	R 10,000
Minimum Monthly Investment	R 500
Income Declaration Date	June & December
Income Payment Date	1st business day of July & January
Portfolio Valuation Time	17:00
Transaction Cut Off Time	15:00
Daily Price Information	Local media & www.sanlamunitrusts.co.za
Repurchase Period	2-3 business days

Fees (Incl. VAT)

A-Class (%)

Maximum Initial Advice Fee	3.45
Maximum Annual Advice Fee	1.15
Manager Annual Fee	1.15
Total Expense Ratio	1.95
Transaction Cost	0.20
Total Investment Charges	2.15
Performance Fee	—
TER Measurement Period	01 October 2019 - 30 September 2022

Total Expense Ratio (TER) is the percentage value of the Financial Product that was 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. The current TER may not necessarily be an accurate indication of future TER's.

Transaction Cost (TC) is the percentage value of the Financial Product that was incurred as costs relating to the buying and selling of the assets underlying the Financial Product. Transaction Costs are a necessary cost in administering the Financial Product and impacts Financial Product 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 Financial Product, the investment decisions of the investment manager and the TER.

Total Investment Charges (TER + TC) is the total percentage value of the Financial Product that was incurred as costs relating to the investment of the Financial Product.

The historic total TER above is calculated based on 3 years of historic data, and includes Performance Fees until 30 June 2020. No performance fees have been charged since 1 July 2020 so the historic total TER will fall into line with the current effective TER as the historic data is removed from the calculation over time.

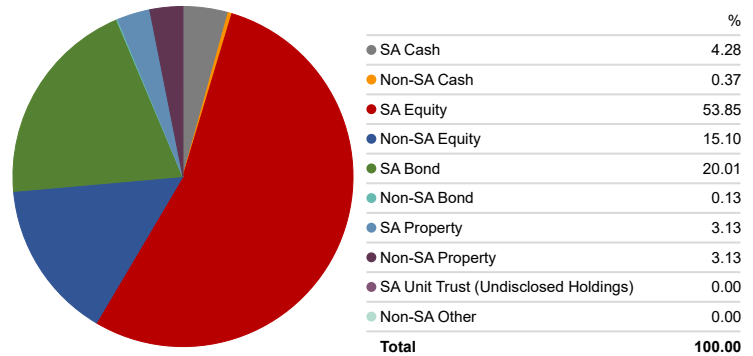
*The Cinnabar Sanlam Collective Investments Balanced Plus Fund of Funds transitioned to Sanlam Collective Investments (RF) (Pty) Ltd on 02 December 2017.

Top Ten Holdings

	(%)
Satrix Top 40 Index Fund	27.21
PortfolioMetrix BCI Equity Fund	20.51
PortfolioMetrix BCI SA Bond Fund	17.76
Satrix MSCI World ETF	13.36
Centaur BCI Flexible Fund	10.01
Satrix MSCI Emerging Markets	4.02
PortfolioMetrix BCI Global Property Fund of Funds	3.08
Portfoliomatrix BCI SA Property Fund	2.90

Asset Allocation

Portfolio Date: 31/12/2022



Annualised Performance (%)

	Fund	Benchmark
1 Year	8.66	7.24
3 Years	10.58	9.95
5 Years	7.20	7.15
Since Inception	6.49	6.75

Cumulative Performance (%)

	Fund	Benchmark
1 Year	8.66	7.24
3 Years	35.21	32.93
5 Years	41.58	41.23
Since Inception	70.71	74.38

Highest and Lowest Annual Returns

Time Period: Since Inception to 31/12/2022

Highest Annual %	20.09
Lowest Annual %	-3.48

Risk Statistics (3 Year Rolling)

Standard Deviation (Volatility)	12.44
Maximum Drawdown	-12.87
Sharpe Ratio	0.49
Information Ratio	0.23

Distribution History (Cents Per Unit)

31/12/2022	1.07 cpu	31/12/2020	0.57 cpu	31/12/2018	1.77 cpu
30/06/2022	1.73 cpu	30/06/2020	2.33 cpu	30/06/2018	0.58 cpu
31/12/2021	1.22 cpu	31/12/2019	1.73 cpu	01/12/2017	1.22 cpu
30/06/2021	0.77 cpu	30/06/2019	1.92 cpu	30/06/2017	0.25 cpu

Administered by



Cinnabar SCI* Balanced Plus Fund of Funds

Minimum Disclosure Document

As of 31/01/2023



CINNABAR
INVESTMENT MANAGEMENT

Risk Profile

Moderate Aggressive

Your primary aim is to achieve the required capital growth necessary to realise your long-term goals and objectives. You are prepared to tolerate fluctuations in your returns because you know that the longer-term picture is worth the short term pain, even if that means you lose money sometimes. While diversified across all the major asset classes, your portfolio will be tilted more towards equities because you know they offer the best long-term returns of all the asset classes and thus your wealth will grow over time.

Glossary Terms

Annualised Returns

Annualised return is the weighted average compound growth rate over the period measured.

Asset Allocation

Asset allocation is the percentage holding in different asset classes (i.e. equities, bonds, property, etc.). It is used to determine the level of diversification in a portfolio.

Capital Volatility

Volatility is a measure of 'risk' and refers to the extent to which the price of an investment or capital value fluctuates over a certain period of time. Funds with high volatility usually offer the potential for higher returns over the longer term than low volatility funds.

Cumulative Returns

Cumulative return is the total growth experienced over the period measured.

Derivatives

Derivatives are instruments generally used as an instrument to protect against risk (capital losses), but can also be used for speculative purposes. Examples are futures, options and swaps.

Distributions

The income that is generated from an investment and given to investors through monthly, quarterly, biannual or annual distribution pay-outs.

Diversification

This is a strategy designed to reduce risk within a portfolio by combining a variety of investments (or asset classes) such as equities, bonds, cash or property, which are unlikely to all move in the same direction at the same time. This is designed to reduce the risk (and protect against capital losses) within a portfolio. Diversification allows for more consistent performance under a wide range of economic conditions as it smoothes out the impact of negative market events. The positive performance of some investments or asset classes should neutralize the negative performance of others.

Financial Instruments

Derivatives also known as financial instruments (such as a future, option, or warrants) whose value derives from and is dependent on the change in value of an underlying asset (such as a commodity, currency, or security) to protect against risk (capital losses).

Fund Objective

The fund objective is the portfolio's core goal.

Fund Strategy

The fund strategy is the way that the fund is managed to achieve the fund objective.

Information Ratio

The Information Ratio measures the market risk-adjusted performance of an investment or portfolio. The greater a portfolio's Information Ratio, the better its risk-adjusted performance has been compared to the market in general.

Collective Investment Schemes

Collective Investment Schemes (CIS) (also called unit trusts) are portfolios of assets such as equities, bonds, cash and listed property, in which investors can buy units. They allow private investors to pool their money together into a single fund, thus spreading their risk across a range of investments, getting the benefit of professional fund management, and reducing their costs.

LISP (Linked Investment Service Provider)

A Linked Investment Service Provider is a financial institution which packages, distributes and administers a broad range of unit trust investments.

Market Capitalization

Market capitalization is the total value of the issued shares of a publicly traded company; it is calculated by multiplying the share price by the number of shares in issue.

Maximum Drawdown

The maximum drawdown measures the highest peak to trough loss experienced by the fund.

Participatory Interests

When you buy a unit trust, your money is pooled with that of many other investors. The total value of the pool of invested money in a unit trust fund is split into equal portions called participatory interests or units. When you invest your money in a unit trust, you buy a portion of the participatory interests in the total unit trust portfolio. Participatory interests are therefore the number of units that you have in a particular unit trust portfolio.

Sharpe Ratio

The Sharpe Ratio measures total risk-adjusted performance of an investment or portfolio. It measures the amount of risk associated with the returns generated by the portfolio and indicates whether a portfolio's returns are due to excessive risk or not. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been (i.e. a higher return with a contained risk profile, where the portfolio manager is not taking excessive risk to achieve those returns).

Standard Deviation

The standard deviation is a widely used risk measure of the return dispersion relative to the mean. It is also referred to as volatility.

Additional Information

All reasonable steps have been taken to ensure the information on this MDD is accurate. The information to follow does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision. The Sanlam Group is a full member of the Association for Savings and Investment SA. Collective investment schemes are generally medium- to long-term investments. Please note that past performances are not necessarily a guide to future performances, and that the value of investments / units / unit trusts may go down as well as up. A schedule of fees and charges and maximum commissions is available on request from the Manager. Sanlam Collective Investments (RF) Pty Ltd, a registered and approved Manager in Collective Investment Schemes in Securities. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained on request from the Manager, free of charge. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. Collective investments 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 such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Lump sum investment performances are quoted. The portfolio may invest in participatory interests of other unit trust portfolios. These underlying funds levy their own fees, and may result in a higher fee structure for our portfolio. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 ("CISCA"). The Manager may borrow up to 10% the market value of the portfolio to bridge insufficient liquidity. The fund may from time to time invest in foreign countries and therefore it may have risks regarding liquidity, the repatriation of funds, political and macroeconomic situations, foreign exchange, tax, settlement, and the availability of information. Investments in foreign instruments are also subject to fluctuations in exchange rates which may cause the value of the fund to go up or down. The fund may invest in financial instruments (derivatives) for efficient portfolio management purposes. *A fund of funds portfolio is a portfolio that invests in portfolios of collective investment schemes that levy their own charges, which could result in a higher fee structure for the fund of funds.* The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. Management of the portfolio is outsourced to Cinnabar Investment Management (Pty) Ltd, (FSP) Licence No. 45402, an Authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002. Sanlam Collective Investments (RF) (Pty) Ltd retains full legal responsibility for the co-named portfolio. Standard Bank of South Africa Ltd is the appointed trustee of the Sanlam Collective Investments scheme. Sources of Performance and Risk Data: Morningstar Direct, INET BFA and Bloomberg. The risk free asset assumed for the calculation of Sharpe ratios: STEFI Composite Index. The highest and lowest 12-month returns are based on a calendar year period over 10 years or since inception where the performance history does not exist for 10 years. Obtain a personalised cost estimate before investing by visiting www.sanlamunittrustsmdd.co.za and using our Effective Annual Cost (EAC) calculator. Alternatively, contact us at 0860 100 266.

Cinnabar Investment Management (Pty) Ltd

(FSP) License No. 45402

Physical Address: 346 Ontdekkers Road, Florida, Roodepoort, 1709

Postal Address: 346 Ontdekkers Road, Florida, Roodepoort, 1709

Tel: +27 (11) 768 1022

Email: info@cinnabarim.com

Website: www.cinnabarim.com

Manager Information

Sanlam Collective Investments (RF) (Pty) Ltd

Physical Address: 2 Strand Road, Bellville, 7530

Postal Address: P.O. Box 30, Sanlamhof, Bellville, 7532

Tel: +27 (21) 916 1800

Email: service@sanlaminvestments.com

Website: www.sanlamunittrusts.co.za

Trustee Information

Standard Bank of South Africa Ltd

Tel: +27 (21) 441 4100

Email: compliance-sanlam@standardbank.co.za

Administered by



Cinnabar SCI* Balanced Plus Fund of Funds

Minimum Disclosure Document

As of 31/01/2023



CINNABAR
INVESTMENT MANAGEMENT

Portfolio Manager Comment

Cinnabar Market Update: January 2023

United States of America

The US economy expanded by an annualized 2.9% on quarter in Q4, following a 3.2% jump in Q3 and beating forecasts of 2.6%. Retail sales in the US declined 1.1% m/m in December worse than analyst forecasts of a 0.8% fall. US imports rose 1.3% whilst exports declined 0.9% causing a widening of the US trade deficit during December. Despite more people entering the job market and actively looking for work, the unemployment rate in the US inched lower to 3.4% in January, the lowest level since May 1969, as the US economy continues to create jobs. Annual inflation continued on its downward trajectory decreasing to 6.5% in December. Inflation was dragged lower by falling energy and vehicle prices, lower health insurance rates and lower airline fares. This was partly offset by a 0.8% increase in shelter inflation, which accounts for almost 33% of the consumer price index. Fed Chair Jerome Powell reiterated that the disinflationary process has begun, particularly in the goods sector, and that the Fed has the tools to bring down inflation to its 2% target. The Federal Reserve raised the target range for the fed funds rate by 25bps to 4.5%-4.75% in its February meeting.

UK

The UK economy expanded 0.1% m/m and 0.2% y/y in November its smallest growth since the contraction in early 2021, and below market forecasts of a 0.3% rise. Although showing signs of slight improvement, the manufacturing PMI index still remains below the 50 level mark, the differentiator between an expanding and contracting economy. The unemployment rate in the UK was unchanged at 3.7% in the three months to November and retail sales sank 1% m/m in December. Inflation dropped to 10.5% y/y in December from 10.7% y/y in November. The Bank of England voted by a majority of 7-2 to raise interest rates by 50 basis points to 4.0 percent during its February meeting. Unlike in the US and Europe where most people are on long term fixed rate mortgages, the UK has a higher proportion of people on tracker or short-term fixed rate mortgages that will continue to squeeze spending as interest rates rise and some people have to refinance throughout the year. Looking ahead, Bank Rate is seen rising to around 4.50% in mid-2023 and falls back to just over 3.25% in three years' time. CPI inflation was projected to fall to around 8.0% by mid-2023.

Europe

Indicators of economic activity in the eurozone surprised to the upside in January. Manufacturing PMI increased to 48.8 in January, up from 47.8 in the previous month, signalling an improvement in sentiment and that the region might avoid a winter recession thanks to warm weather and government energy support measures. Consumer sentiment echoed this development with consumer confidence reaching its highest since February last year. The annual inflation rate fell to an eight-month low of 8.5% in January from 9.2% in December, whilst the unemployment rate remained at 6.6% in December. Imports climbed by 20.2% while exports rose at a softer 17.2% widening the eurozone's trade deficit. The European Central Bank (ECB) raised the interest rate by 50 bps to 3.0% during its February meeting. The ECB pledges to deliver another 50 bps rate hike at its next monetary policy meeting in March. The ECB has also reaffirmed it would stay the course in raising rates significantly at a steady pace and in keeping them at levels that are sufficiently restrictive to ensure a timely return of inflation to its 2% medium-term target.

Japan

Japan's manufacturing PMI held at 48.9 in January as factory activity continues to decrease. There was no improvement to unemployment which remains at 2.5% for December. Retail sales increased to 3.8% in December from a year earlier, exceeding forecasts of 3%. Consumers are more optimistic with confidence increasing to 31 in January beating market forecasts of 30.5. Imports climbed 20.6% y/y whilst exports grew at a softer pace of 11.5% and increasing Japan's trade deficit. In monetary policy, the inflation rate accelerated to 4% y/y, the highest reading in 31 years amid a rise in prices of imported raw commodities and yen weakness. The Bank of Japan (BoJ) loosened its yield curve control, widening the band for 10-year government bonds from around 0.25% to around 0.50%. The BoJ maintained its key short-term interest rate at -0.1% in its February meeting.

China

Disrupted by the zero-Covid policy and mass infections, China's real GDP growth expanded 2.9% Y/Y in Q4, easing from a 3.9% growth in Q3 but above market estimates of a 1.8% rise. In December, cyclical indicators deteriorated as infections peaked after lockdown measures were relaxed across the country. Retail trade dropped by 1.8% y/y in December, this was the third straight month of decrease in retail trade, dragged lower by labour shortages. Despite the weakness, December might be the bottom for Chinese growth. Analysts are keeping an eye on high-frequency indicators which suggest a quick recovery in economic activity as infections peak. In trade, exports plunged 9.9%, the largest decline in nearly three years, while imports fell at a softer 7.5%, reducing China's trade surplus to USD 78.01 billion in December. The unemployment rate declined to 5.5% in December from November's six-month high of 5.7% amid easing zero-COVID policy restrictions. Inflation remains low at 1.8% in December, up from 1.6% in November.

South Africa

The South African Reserve Bank (SARB) highlighted risks to the inflation outlook are to the upside and, given the Eskom tariff increase granted by NERSA and the persistent load shedding, this remains a concern going forward for growth and inflation. In the State of the Nation Address on the 9th of February, President Cyril Ramaphosa declared a National State of Disaster as load shedding related challenges continue to weaken the local economy. Annual inflation rate was at 7.2% in December, down from 7.4% in the prior month as prices continued to slow down primarily for transportation. This encouraged the

SARB to hike its benchmark repo rate by 25 bps to 7.25% at its January meeting. Unemployment was at 32.9% in Q3, down from 33.9%, however the labour force fell by 66 thousand. Exports slumped by 5.1% in December whilst imports fell at a softer 4.2%, however South Africa still recorded a trade surplus of R5.4 billion in December. China's reopening supported South Africa as a commodity-rich country, despite the fundamental challenges facing South Africa.

Sources: *Trading Economics, Bloomberg, BER, JP Morgan, The Guardian, Cinnabar Investment Management*

Portfolio Manager

Cinnabar Investment Management Team

Administered by

