**Nedgroup Investments Property Fund**

**Class A1**

**October 2020**

---

**INCOME RANGE**

---

**RISK RATING**

- Low
- Medium
- High

**Risk reward profile**

Property investments are volatile by nature and subject to potential capital loss.

---

**GENERAL INFORMATION**

**ASISA category**
South African Real Estate General

**Benchmark**
ASISA Category Average

**Investment manager**
Bridge Fund Managers (previously trading as Grindrod Asset Management) is authorised as a Financial Services Provider under the Financial Advisory and Intermediary Services Act (FSP No. 29834).

---

**Inception date**
30 July 2010

**Appropriate term**
Minimum 5 years

**Market value**
R 809 Million

**Income distributions**
Frequency: Quarterly
September 2020: 0.61 cpu
Previous 12 months: 7.50 cpu

**Fees and charges (excluding VAT)**

- **Initial fees**: 0.00%
- **Annual management fee**: 0.75%

**Total expense ratio**: 0.88%

**Transaction costs**: 0.06%

**Total investment charges**: 0.94%

---

**Please Note:**
Differences may exist due to rounding

---

**CONTACT**

Client Services Centre
Tel: 0860 123 263
Website: www.nedgroupinvestments.co.za
Email info@nedgroupinvestments.co.za

---

**PORTFOLIO PROFILE**

The portfolio is suitable for investors who require sector specific exposure to real estate securities as part of their overall investment strategy, with both income generation and capital appreciation as their primary goal over the long-term.

---

**PERFORMANCE**

<table>
<thead>
<tr>
<th>Period</th>
<th>Portfolio</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year pa</td>
<td>-40.0%</td>
<td>-49.1%</td>
</tr>
<tr>
<td>3 Years pa</td>
<td>-27.8%</td>
<td>-25.2%</td>
</tr>
<tr>
<td>5 Years pa</td>
<td>-16.3%</td>
<td>-14.2%</td>
</tr>
<tr>
<td>7 Years pa</td>
<td>-7.7%</td>
<td>-5.7%</td>
</tr>
<tr>
<td>10 Years pa</td>
<td>-0.3%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Lowest 1 year return</td>
<td>-51.3%</td>
<td></td>
</tr>
<tr>
<td>Highest 1 year return</td>
<td>43.8%</td>
<td></td>
</tr>
</tbody>
</table>

---

**RISK**

<table>
<thead>
<tr>
<th>Period</th>
<th>Portfolio</th>
<th>ALSI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volatility [5 years]</td>
<td>19.8%</td>
<td>14.6%</td>
</tr>
</tbody>
</table>

---

**PORTFOLIO STRUCTURE**

---

**Top 10 holdings**

- **Share**: Percentage

<table>
<thead>
<tr>
<th>Share</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fairvest Property Holdings Ltd</td>
<td>15.0</td>
</tr>
<tr>
<td>Safari Investments Limited</td>
<td>13.1</td>
</tr>
<tr>
<td>Indulplace Properties Ltd</td>
<td>10.1</td>
</tr>
<tr>
<td>Tower Property Fund Limited</td>
<td>8.9</td>
</tr>
<tr>
<td>Grit Real Estate Income Group Ltd</td>
<td>8.6</td>
</tr>
<tr>
<td>Stor-Age Property REIT Ltd</td>
<td>8.1</td>
</tr>
<tr>
<td>Spear REIT Ltd</td>
<td>6.6</td>
</tr>
<tr>
<td>Equites Property Fund Ltd</td>
<td>6.1</td>
</tr>
<tr>
<td>Accelerate Property Fund Ltd</td>
<td>5.1</td>
</tr>
<tr>
<td>Octodec Investments Ltd</td>
<td>3.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>85.5</strong></td>
</tr>
</tbody>
</table>

---

**NOTES:**

1. The annualized total return is the average return earned by an investment each year over a given time period. Performance is calculated for the portfolio and not the individual investment performance may differ as a result of initial fees, the actual investment, the actual investment date, the date of reinvestment and dividend withholding tax. Due to the delayed release of inflation data, relevant benchmarks will lag by one month.

2. Total Expense Ratio (TER), expressed as a percentage of the Fund, relates to expenses incurred in the administration 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 TERs. Transaction Costs (TC), expressed as a percentage of the Fund, relate to the costs incurred in buying and selling the underlying assets of the Fund. TC are a necessary cost in administering the fund and impact total returns, it should not be considered in isolation as the returns may be impacted by other factors, over time including market returns, the type of fund, the investment decisions of the investment manager and the TER. The Total Investment Charges expressed as a percentage of the Fund, relates to all investment costs of the Fund. Both the TER and TC of the Fund are calculated on an annualized basis, beginning 01/10/2017 and ending 30/09/2020.

---

**ASSOCIATE INVESTMENT**

- Real estate investment trusts: 88.3%
- Cash and money market: 3.1%
- Foreign property: 8.6%
### PORTFOLIO ATTRIBUTES
- This fund aims for a high level of current income, growth above inflation and long-term capital appreciation.
- Flexibility to take advantage of small-cap outperformance in the sector (willing to cap).
- Excellent diversification benefits due to low correlation to other asset classes (and peer group).
- Benchmark agnostic thus performance relative to the benchmark may deviate widely from time to time.
- At least 80% of the portfolio will be invested in listed property assets at all times.

### INVESTMENT MANAGEMENT
- Bridge Fund Managers (BFM) was founded in 2009 under the Grindrod Asset Management (GAM) brand.
- Early in 2017, GAM was rebranded Bridge Fund Managers, with a new majority shareholder in place.
- The lead portfolio manager has a track record in listed property mandates of more than two decades.
- BFM have been managing the fund since inception in July 2010.

### INVESTMENT PHILOSOPHY
- The investment process is grounded on rigorous primary research of listed property companies.
- They use their experience/expertise to evaluate managements' ability to extract value from the portfolio.
- Construct a portfolio where they diversify by property type, geography and level of management risk.
- The focus is on building a portfolio with a high initial yield, and inflation-hedged income growth.

---

**Who we are**
Nedgroup Collective Investments (RF) Proprietary Limited, is the company that is authorised in terms of the Collective Investment Schemes Control Act to administer the Nedgroup Investments unit trust funds. It is a member of the Association of Savings & Investment South Africa (ASISA).

**Our Trustee**
The Standard Bank of South Africa Limited is the registered trustee. Contact details: Standard Bank, Po Box 54, Cape Town 8000. Email: Trustee-compliance@standardbank.co.za, Tel 021 401 2002.

**Performance**
Unit trusts are generally medium to long-term investments. The value of your investment may go down as well as up. Certain unit trust funds may be subject to currency fluctuations due to its international exposure. Past performance is not necessarily a guide to future performance. Nedgroup Investments does not guarantee the performance of your investment and even if forecasts about the expected future performance are included you will carry the investment and market risk, which includes the possibility of losing capital.

**Pricing**
Funds are valued daily at 15:00. Instructions must reach us before 14:00 (12:00 for Nedgroup Money Market Fund) to ensure same day value. Prices are published daily on our website and in selected major newspapers.

**Fees**
A schedule of fees and charges and maximum commissions is available on request from Nedgroup Investments.

**Disclaimer**
Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. Nedgroup Investments has the right to close unit trust funds to new investors in order to manage it more efficiently. For further additional information on the fund, including but not limited to, brochures, application forms and the annual report please contact Nedgroup Investments.

**Nedgroup Investments contact details**
Tel: 0860 123 263 (RSA only)
Tel: +27 21 416 6011 (Outside RSA)
Email: info@nedgroupinvestments.co.za
For further information on the fund please visit: www.nedgroupinvestments.co.za

**Our offices are located at**
Nedbank Clocktower, Clocktower Precinct, V&A Waterfront, Cape Town, 8001

---

**DATE OF ISSUE**
10 November 2020