

Melville Douglas STANLIB Global Equity Feeder Fund

Fund information update at 30 September 2024

What is the fund's objective?

The objective of the fund is to provide long-term capital growth by investing in quoted global equities and maximising investment returns in USD.

What does the fund invest in?

The fund is a feeder fund which, apart from assets in liquid form, consists solely of participatory interests of the Melville Douglas Select Global Equity Fund – a high conviction, actively managed global securities fund. The fund consists of 25-35 high quality multi-national companies from around the world. Each company must comply with our stringent requirements for quality, growth and attractive valuation.

What possible risks are associated with this fund?

General market risks include a rise or volatility in bond yields, rising interest rates, economic and political risk, inflation uncertainty and duration risk. Where foreign securities are included in the portfolio there may be additional risks, such as potential constraints on liquidity and the repatriation of funds, macro-economic risks, political risks, tax risks, settlement risks, and potential limitations on the availability of market information.

Risk rating

| | | | | |
|--------------|-------------------------|----------|-----------------------|------------|
| Conservative | Moderately conservative | Moderate | Moderately aggressive | Aggressive |
|--------------|-------------------------|----------|-----------------------|------------|

What is the suggested investment period for this fund?

Minimum period

| | | | | | |
|---------|----------|--------|---------|---------|---------|
| 1 Month | 6 Months | 1 Year | 3 Years | 5 Years | 7 Years |
|---------|----------|--------|---------|---------|---------|

Who should consider investing in this fund?

The investment strategy is suitable for investors looking for long term capital appreciation. The fund objective is to deliver strong risk adjusted returns over time. Risk is mitigated through holding a range of highly profitable and proven franchises diversified across multiple sectors and geographies.

Income

Distribution Net income is calculated and accrued daily and is declared and distributed semi-annually.

Due to the nature of this portfolio it is unlikely that any net income will be available for distribution.

Declaration 30 June, 31 December

General fund information

| | |
|--|------------------------------------|
| Manager(s) | Justin Maloney and Derinia Mathura |
| Size (NAV) | R 1.20 billion |
| Classification | Global - Equity - General |
| Benchmark | MSCI AC World Net |
| Regulation 28 | Does not apply |
| | Class B1 |
| Launch | 07 November 2016 |
| ISIN number | ZAE000227815 |
| JSE code | MDGB1 |
| Minimum investment requirements - | |
| Lump sum | R 10,000 |
| Monthly | R 500 |

What are the costs to invest in this fund?

Maximum charges including VAT

| | Class B1 |
|------------------------------|----------|
| Initial fee (manager) | 0.000% |
| Initial fee (adviser) | 3.450% |
| Annual fee (manager) | 1.495% |
| Annual fee (adviser) | 0.000% |
| Performance fee | N/A |
| Adviser fee | 1.150% |

Annual fee (manager) – this is a service charge (% based) applicable to each class of a fund, that is levied on the value of your portfolio and includes the **Annual fee (adviser)** fee (where applicable). Annual fees are calculated and accrued daily and recovered monthly from the income awaiting distribution in the fund.

Adviser fee - this is the maximum annual service fee (% based) an adviser can charge on the value of your portfolio. It is calculated and accrued daily and recovered monthly by means of a redemption of your units. It is not included in the **Annual fee**.

Cost ratios (annual) including VAT as at 30 June 2024

| | Class B1 |
|--------------------------------|------------|
| Based on period from: | 01/07/2021 |
| Total Expense | 1.74% |
| Transaction Costs | 0.00% |
| Total Investment Charge | 1.74% |
| 1 Year Total Expense | 1.74% |

Total Expense (TER): This ratio shows the charges, levies and fees relating to the management of the portfolio and is expressed as a percentage of the average net asset value of the portfolio, calculated over the period shown and annualised to the most recently completed quarter. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER should not be regarded as an indication of future TERs.

Transaction Costs (TC): This ratio shows the percentage of the value of the fund incurred as costs relating to the buying and selling of the fund's underlying assets. TC 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, investment decisions of the investment manager and the TER.

Total Investment Charges (TIC): This ratio is simply the sum of the TER and TC, showing the percentage of the value of the fund incurred as costs relating to the investment of the fund. It should be noted that performance figures account for all costs included in the TIC ratio, so you should not deduct the TIC from performance figures, the performance is already net of the TIC.

Melville Douglas STANLIB Global Equity Feeder Fund

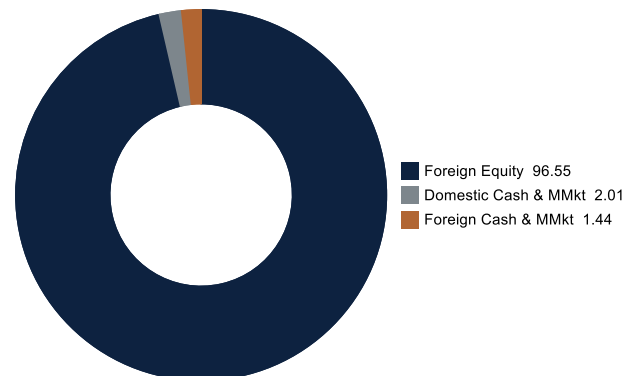
Monthly update at 30 September 2024

Holdings

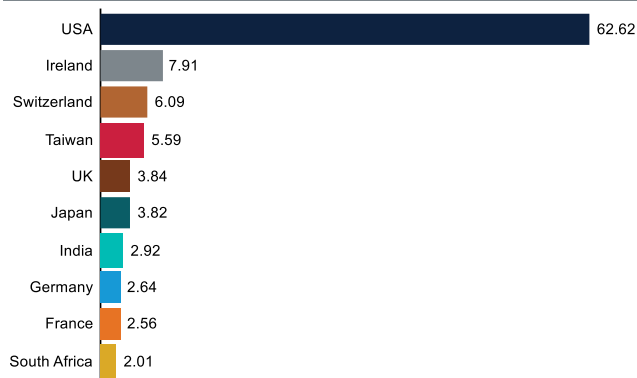
Holdings (%)

| | |
|--|-------|
| Melville Douglas SFL - Global Equity USD Class X | 97.99 |
| Domestic Cash | 2.01 |

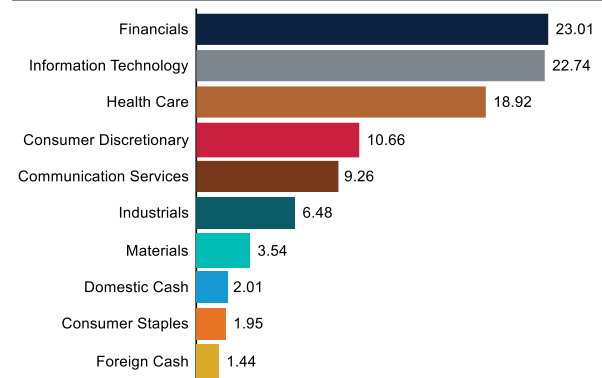
Asset class (look through) (%)



Country (look through) (%)



Sector (look through) (%)



Performance and Income

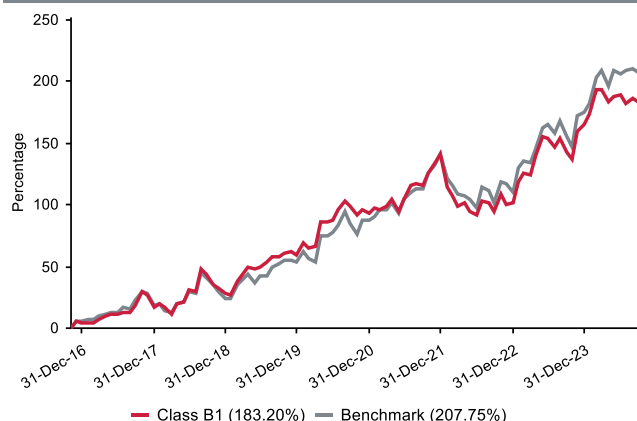
Class B1 Launch: 07 November 2016

Benchmark: MSCI AC World Net from 23/01/2017, previously MSCI AC World TR from launch.

| Returns (%) | 1yr | 3yrs | 5yrs | 7yrs | Launch |
|-----------------|--------|-------|-------|-------|--------|
| Class B1 | | | | | |
| Class | 16.87 | 9.56 | 12.47 | 13.24 | 14.09 |
| Rank/Out of | 47/109 | 46/83 | 32/60 | 11/46 | 12/41 |
| Sector Average | 15.87 | 9.15 | 12.73 | 11.48 | 12.71 |
| Benchmark | 20.52 | 13.09 | 15.10 | 14.14 | 15.29 |

Returns (%) shown are cumulative for all periods shorter than or equal to 1 year and annualised for all periods greater than 1 year.

Cumulative performance (%) from Launch



| Statistics (%) | 1yr | 3yrs | 5yrs | 7yrs | Launch |
|-----------------|-------|--------|--------|--------|--------|
| Class B1 | | | | | |
| Positive Months | 8 | 20 | 35 | 47 | 53 |
| Max Gain | 23.91 | 53.31 | 86.40 | 162.61 | 199.43 |
| Max Drawdown | -3.66 | -20.64 | -20.64 | -20.64 | -26.58 |
| Highest | 31.21 | 32.67 | 33.95 | 33.95 | 33.95 |
| Lowest | 12.42 | -16.32 | -16.32 | -16.32 | -16.32 |

Highest – this reflects the highest 12 month return during the period.

Lowest - this reflects the lowest 12 month return during the period.

Amount declared (cents per unit)

| | Class B1 |
|--------------------------|----------|
| 29 December 23 | 0.00 |
| 28 June 24 | 0.00 |
| In last 12 months | 0.00 |
| In 2023 | 0.00 |

Melville Douglas STANLIB Global Equity Feeder Fund

Quarterly update at 30 September 2024

Who are the investment managers?

Since 1983 Melville Douglas has been delivering superior investment returns across a number of asset classes. As a global boutique investment management company within the Standard Bank Group, we are uniquely positioned to offer domestic and offshore investment solutions. What truly sets Melville Douglas apart is our experienced investment team and our approach to investing – driven by balance, a long-term view and a commitment to fundamental research – which informs our investment decisions across the board.



Justin Maloney

BSc (Hons), CFA®, Chartered FCSI
Fund Manager

Justin joined Melville Douglas in 2014 and has 28 years experience of managing global equity funds. He co-manages the Melville Douglas Select Global Equity Fund and covers a range of sub-sectors for the team. Prior to joining the company, he was a global equity fund manager in London for Sanlam and F&C Asset Management. He holds a BSc (Hons) degree in Business from Cass Business School, University of London. He is also a CFA® Charterholder and a Chartered Wealth Manager. Justin is based in Jersey.



Derinia Mathura

BBusSci (Hons) Finance, CFA®
Fund Manager

Derinia joined Melville Douglas in 2013 as the lead analyst for a range of global equity holdings within the consumer discretionary sector. She is the co-manager of the Melville Douglas Select Global Equity Fund. Prior to joining, she worked for RMB Morgan Stanley as a sell-side equity research analyst covering financials. Derinia has a BBusSci (Hons) degree in Finance and is also a CFA® Charterholder.

Fund review

Global markets reached new highs over the quarter, and the fund managed to participate in the rally. Throughout the quarter, market performance broadened, with interest rate plays, real estate and utilities, standing out as the key sectors driving returns. The IT sector underperformed, funding a rotation into more procyclical sectors. Additionally, the market benefited from China's stimulus measures, which focused on fiscal spending and the property market. Not having exposure to the underperforming energy sector (impacted by falling oil prices) helped offset the fund's lack of exposure to Q3's winners, real estate, and utilities. Our relative performance was negatively impacted by the lack of direct exposure to China and more pro-cyclical names, with our stock selection being a detractor. Positive contributions came from companies like Starbucks, which benefited from a new CEO, and Partners and S&P Global, which saw gains due to rate cuts leading to a more favourable credit and market environment. However, these gains were partially offset by weaknesses in Estee Lauder, which we sold over the quarter, Alphabet, which was impacted by regulatory overhang, and Icon Plc, where biopharma hesitancy kept investors cautious.

Market overview

The quarter saw swings and roundabouts but ultimately rate cuts, resilient growth, and the long-awaited Chinese stimulus provided a boost for risk assets. Earlier in the quarter volatility spiked due to recession fears and the unwinding of the Japan carry trade. To put this in perspective, the VIX reached levels above 60, similar to those at the start of the pandemic and the Global Financial Crisis. However, these fears quickly dissipated. Powell delivered a 50 basis point cut, and markets responded positively to the possibility that the Fed could achieve the soft landing investors have been hoping for. The market further benefited from China's stimulus measures, which focused on fiscal spending and the property market. China's support measures included interest rate cuts, more cash for banks, bigger incentives to buy homes, and plans to consider a stock stabilisation fund. According to the OECD, the global economy is settling into newfound stability as the stress of high inflation eases, allowing central banks to cautiously loosen policy. Economic growth has remained resilient in recent months, inflation has continued to moderate, and indicators suggest momentum in services.

Looking ahead

2024 is landmark and potentially seismic year for general elections. Nearly half the world's population, an estimated 3.7 billion people, will have cast their votes in over 70 countries, including the US, the UK, India, and South Africa. In the US, we are heading into a tight, too-hard-to-call race between two very different candidates. A Kamala Harris presidency would represent the status quo, largely continuing the policies seen under Biden. On the other hand, a Trump presidency would bring tax cuts and a more aggressive stance on tariffs and immigration, which could bring near term growth but also potentially worrying upward pressure on inflation. Generally, broader economic developments have a more significant impact on market outcomes than politics. However, there have been instances where election results are critical junctures when market confidence and political actions intersect. The outcome of an election is just one of many factors in our investment process, and its result can be uncertain. Whilst we do not speculate on a particular political outcome, we do assess whether we are taking significant intentional or unintentional political bets. While we are aware of these risks and can adjust, our investment decisions are ultimately driven by a company's bottom-up prospects. Geopolitical fears often lead to sharp, short-term selloffs, typically followed by a relatively quick recovery. These events are inherently difficult to time consistently. In our view, a more reliable and robust approach is to hold a portfolio of the world's best quality compounders. By doing so, we protect our clients' wealth from permanent loss of capital during temporary market noise while generating attractive investment returns over the long run.

The commentary gives the views of the portfolio manager at the time of writing. Any forecasts or commentary included in this document are not guaranteed to occur.

Change in allocation of the fund over the quarter

| Asset type | Q3 2024 | Q2 2024 | Change |
|----------------------|---------|---------|--------|
| Domestic Cash & MMkt | 2.01 | 1.85 | 0.16 |
| Foreign Cash & MMkt | 1.44 | 1.27 | 0.17 |
| Foreign Equity | 96.55 | 96.88 | -0.33 |

The portfolio adhered to its portfolio objective over the quarter.

Fund classes

| Class | Type | Price (cpu) | Units | NAV (Rand) |
|-------|--------|-------------|----------------|----------------|
| B1 | Retail | 283.20 | 203,170,785.63 | 575,385,939.98 |

All data as at 30 September 2024.

Units – amount of participatory interests (units) in issue in relevant class.

Melville Douglas STANLIB Global Equity Feeder Fund

Important information update at 30 September 2024



Disclosures

Collective Investment Schemes in Securities (CIS) are generally medium to long term investments. The value of participatory interests 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.

The Melville Douglas STANLIB Global Equity Feeder Fund is a portfolio of the STANLIB Collective Investment Scheme (the Scheme).

The manager of the Scheme is STANLIB Collective Investments (RF) (Pty) Limited (the Manager). The Manager is authorised in terms of the Collective Investment Schemes Control Act, No. 45 of 2002 (CISCA) to administer Collective Investment Schemes (CIS) in Securities. Liberty is a full member of the Association for Savings and Investments of South Africa (ASISA). The Manager is a member of the Liberty Group of Companies. The manager has a right to close a portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate. The Manager does not provide any guarantee either with respect to the capital or the return of a CIS portfolio. A schedule of fees and charges and maximum commissions is available on request from the Manager.

The trustee of the Scheme is Standard Chartered Bank.

The investments of this portfolio are managed, on behalf of the Manager, by Melville Douglas Investment Management (Pty) Ltd, an authorised financial services provider (FSP), FSP No. 595, under the Financial Advisory and Intermediary Services Act (FAIS), Act No. 37 of 2002.

Prices are calculated and published on each working day, these prices are available on the Manager's website (www.stanlib.com) and in South African printed news media. This portfolio is valued at 15h00. Forward pricing is used. Investments and repurchases will receive the price of the same day if received prior to 15h00.

This portfolio is permitted to invest in foreign securities. Should the portfolio include any foreign securities these could expose the portfolio to any of the following risks: 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.

This portfolio is a Feeder Fund portfolio. A Feeder Fund portfolio is a portfolio that invests in a single portfolio of a collective investment scheme, that levies its own charges, which could result in a higher fee structure for the Feeder Fund.

This portfolio is a third party named, co-named portfolio. The Manager retains full legal responsibility for this portfolio. A third party named, co-named portfolio is a portfolio bearing the name of both the Manager and the financial services provider (FSP) where the FSP, under an agreement with the Manager, undertakes financial services of a discretionary nature, as contemplated in the Financial Advisory and Intermediary Services Act, Act No. 37 of 2002 (FAIS), in relation to the assets of the portfolio. Melville Douglas Investment Management (Pty) Ltd, an authorised FSP, FSP No. 595, FAIS, is the third party manager of this portfolio.

The FSP is a related party to the Manager, the FSP may earn additional fees other than those charged by the Manager. It is the responsibility of the FSP to disclose additional fees to the investor. This document is not advice, as defined under FAIS. Please be advised that there may be representatives acting under supervision.

All performance returns and ranking figures quoted are shown in ZAR and are based on data sourced from Morningstar or Statpro and are as at 30 September 2024.

Annualised return figures are the compound annualised growth rate (CAGR) calculated from the cumulative return for the period being measured. These annualised returns provide an indication of the annual return achieved over the period had an investment been held for the entire period. Actual annual figures are available on request from the Manager.

Portfolio performance figures are calculated for the relevant class of the portfolio, for a lump sum investment, on a NAV-NAV basis, with income reinvested on the ex-dividend date. Individual investor performance may differ due to initial fees, actual investment date, date of reinvestment of income and dividend withholding tax. Portfolio performance accounts for all costs that contribute to the calculation of the cost ratios quoted, all returns quoted are after these costs have been accounted for.

Statistics - Positive Months: the number of individual 1 month periods during the specified time period where the return was not negative; Max Gain: the maximum gain in a trough-to-peak incline before a new trough is attained, quoted as the percentage between the trough and the peak. It is an indicator of upside risk over a specified time period (quoted for all periods of 1 year or longer); Max Drawdown: the maximum loss in a peak-to-trough decline before a new peak is attained, quoted as the percentage between the peak and the trough. It is an indicator of downside risk over a specified time period (quoted for periods of 1 year or longer, where no value is shown no loss was experienced); Highest and Lowest: the highest and the lowest 1 year return (%) that occurred during the specified time period (quoted for all relevant classes launched 1 year or more prior to current month end date).

Additional information about this product including, but not limited to, brochures, application forms and annual or quarterly reports, can be obtained free of charge, from the Manager and from the Manager's website (www.stanlib.com).

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