

SESIKILE BCI PROPERTY FUND

Minimum Disclosure Document (Fund Factsheet)

FUND OBJECTIVE

The Sesfikile Boutique Collective Investments Property Fund Class A is a portfolio which aims to deliver both a high income yield as well as capital growth over the medium to long term. Our objective is to deliver total returns (consisting of income and capital) that outperform the FTSE/JSE All Property Index (J803) over a 3 to 5 year investment horizon. The fund is suitable for investors who are looking for a viable property component to a balanced portfolio; or alternatively an investor looking for a growing income stream but is willing to be exposed to an element of capital volatility.

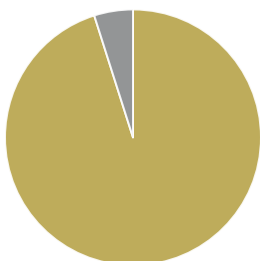
FUND INFORMATION

ASISA Fund Classification	South African - Real Estate - General
Fund Managers	Evan Jankelowitz, Mohamed Kalla and Kundayi Munzara
Risk profile	Moderate/Aggressive
Benchmark	FTSE/JSE All Property Index (J803)
ISIN number	ZAE000160677
JSE code	SPPF1
Portfolio launch date	01 November 2011
Minimum investment	Class A: None
Fees	Initial Fee: nil Annual Service Fee: Class A 1.27% (incl. VAT) Performance Fee: nil
Portfolio size	R 2,750,581,555
Total Expense Ratio*	31/03/2021: 1.30%(incl. VAT) Prior Year(PY):1.30%(incl. VAT)
Distribution frequency	Quarterly
Income distribution dates	31 Dec /31 Mar /30 June /30 Sep*
Income payment date	Second working day after declaration
Income Distribution	30/09/20: 1.24 cents per unit 31/12/20: 15.58 cents per unit 31/03/21: 4.60 cents per unit 30/06/21: 18.68 cents per unit
Month-end fund price	1 302.95 cents per unit
Portfolio valuation time	15h00
Transaction cut off time	14h00
Daily price information	Local newspaper and www.bcis.co.za
Issue date	09 July 2021

* Effective 01 April 2020, the income distribution declaration dates changed from 28 Feb, 31 May, 31 Aug and 30 Nov to 31 Dec, 31 Mar, 30 June and 30 Sep

This Fund Fact Sheet should be viewed in conjunction with the Fund Information Sheet and the Portfolio Manager Commentary Sheet

ASSET ALLOCATION



Asset allocation as of 30 June 2021

TOP 10 HOLDINGS*

Equites Prop Fund Ltd
Fortress Reit Ltd - A
Growthpoint Props Ltd
Irongate Group
Mas Real Estate Inc
Nepi Rockcastle Plc
Redefine Prop Ltd
Resilient Reit Ltd
Sirius Real Estate Ltd
Vukile Property Fund

Top 10 holdings as of 30 June 2021

*The top 10 holdings are listed in alphabetical order

ROLLING ANNUALISED FUND PERFORMANCE

AS AT 30 JUNE 2021

	Fund A (after fees)	Benchmark*
1 year	22.82%	25.59%
3 years	-6.30%	-10.69%
5 years	-3.80%	-7.98%
Since inception	7.85%	4.09%

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

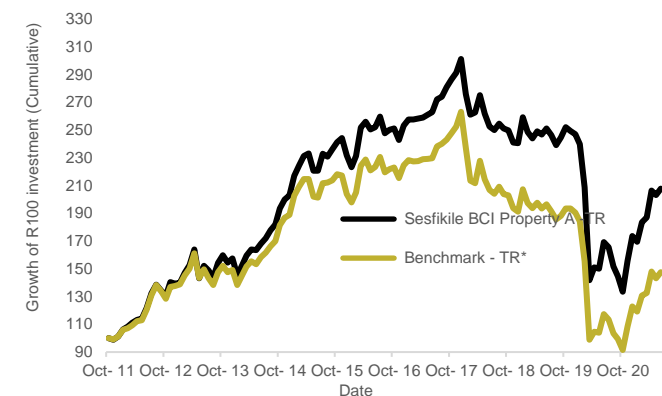
*Effective 01 July 2018, the fund benchmark changed from the FTSE/JSE SA Listed Property Index (J253) to the FTSE/JSE All Property Index(J803).

HIGHEST AND LOWEST ANNUAL RETURNS

Highest (2012)	37.48%
Lowest (2020)	-29.71%

The highest and lowest annualised performance numbers are based on 10 non-overlapping one year periods or the number of non-overlapping one year periods from inception where performance history does not yet exist for 10 years.

PERFORMANCE (NET OF FEES)



Source: Bloomberg, Morningstar Research Fund performance to 30 June 2021.

Investment performance is for illustrative purposes only and calculated by taking actual initial fees and ongoing fees into account for amount shown with income reinvested on reinvestment date.

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FUND STRATEGY

This fund aims to outperform the benchmark by investing in listed property companies with sustainable income growth underpinned by strong property fundamentals. In addition to these core holdings, the fund makes use of tactical stock selection to capitalise on short-term market mispricing and corporate action opportunities.

INVESTMENT POLICY

The policy is to invest in JSE listed Real Estate Investment Trusts ("REITs") or listed property companies. The investment manager will also be allowed to invest in financial instruments and cash as allowed by the act from time to time in order to achieve its investment objective. Furthermore, and as legislation permits, the manager shall be permitted to invest in offshore listed property investments on behalf of the **Sesfikile BCI Property Fund**.

WHY CHOOSE THIS FUND?

The fund offers active best of breed management within a sector that offers income and capital growth over time:

- All shares are subject to rigorous, in-depth research;
- While ultimate portfolio construction adheres to Sesfikile's unique **"Four D"** approach:
 - Our passion for direct property
 - Getting stuck in the detail
 - Understanding the broader drivers of property investment
 - Taking views on corporate action deals and finding the hidden potential in the sector.
- Through extensive experience in the listed property sector, we believe our team has the ability to identify the key differentiators to performance and ultimately the factors that impact total returns for clients. Importantly, given our commitment to capping the total size of assets under management we will remain nimble enough to execute on investment ideas effectively over the medium to long term.
- Since inception, our investment process has been able to deliver consistent low-risk outperformance of the benchmark on an after fee basis. Although this is no guarantee of future performance, we are confident in our robust investment and risk management process and alignment of interest with clients will consistently steer us towards identifying value added investment opportunities.

FUND MANAGER INFORMATION

The three founding directors, Evan Jankelowitz, Mohamed Kalla and Kundayi Munzara co-manage the Sesfikile BCI Property Fund.

The Sesfikile Investment Team, which consists of five individuals, boasts combined experience of almost 60 years in the listed property sector, making them amongst the most experienced teams in the market. Since inception, the Team has been able to deliver consistent benchmark and peer relative outperformance.

FUND MANAGERS



Evan Jankelowitz, CFA®
Portfolio Manager &
Analyst



Mohamed Kalla, CFA®
Portfolio Manager &
Analyst



Kundayi Munzara, CFA®
Portfolio Manager &
Analyst

MARKET REVIEW

Asset class relative performances reversed the May numbers as listed property clawed back most of the previous month's losses, gaining 3.0% in June. Equity conversely, went from a positive month in May to losing 2.4% in June, while bonds remained steady at 1.1%, despite global inflation concerns. This has resulted in listed property being the strongest asset class for the quarter at 11.1% as it achieved its third straight positive quarter.

Despite the solid stock performance, operational frailties continued as office vacancies, as per SAPOA, spiked beyond 15% and retail took another blow as an adjusted level 4 lockdown was introduced by the President towards the end of the month. In the UK a retail setback was also apparent as the Delta variant delayed the much anticipated reopening of the economy, however Central and Eastern Europe was buoyed by the low levels of infection and steady reopening of the economy.

The differentiation in the underlying asset exposure is being seen as management teams disclose their recent operating performances. Growthpoint was open about the difficulties across their office portfolio and headwinds faced at the V&A Waterfront (a beneficiary of tourism), culminating in quite a somber outlook in their pre close statement. SA Corporate was slightly more upbeat (perhaps owing to the fact they have very little office exposure) as they managed to reduce vacancies in their residential portfolio, albeit at a reduced rental. Vukile stood out as the best result, with a steady operational performance both in South Africa and Spain as they appear to have weathered the initial retail storm better than most. It should also be noted that post month end small cap retail stock Safari also reported a very strong operating performance giving further evidence of the robust nature of the lower LSM retail sub-sector.

The Rand was once again one of the most volatile emerging market currencies over the last month as it pulled back c. 4% in June following a 6% rally against the USD in May. Macroeconomic data reported so far has generally been better than expected with retail sales and new vehicle sales recovering almost all of their Covid slump. The heightened lockdown imposed in the latter part of June likely means we will see pull-back in these indicators. SA trade data continues to deliver very impressive surpluses with the May data (R54.6bn surplus) being the highest on record, with the key driver being exports over imports. Any SA overview would be incomplete without mentioning President Zuma's conviction and sentencing to 15 months in prison, this is further evidence of President Ramaphosa's further consolidation of power and the increased expectations that the needed reforms will be implemented.

With the 3% increase in pricing, the sector has pushed slightly beyond fair value in the short term, but still holds value into the medium term as the impact of our implied relative de-rating smooths out over time. The benefits of the diverse nature of the sector are becoming more apparent as compared to a decade back as there are still areas of value and growth, however within the conventional local asset classes we believe there are still challenges ahead, some of which we do not believe the market fully appreciates as yet.

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TER AND TRANSACTION COST (INCL. VAT)

Please note: A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's. Transaction Costs 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, the investment decisions of the investment manager and the TER. The prior year ("PY") TER and Transaction cost calculations are based upon the portfolio's direct costs for the financial year ended 30 June 2020, whilst the underlying portfolios' ratio and cost calculations are based upon their most recent published figures, being 31 March 2021.

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Class	Total Expense Ratio (TER)	Transaction Cost(TC)	Total Investment Charges (TER+ TC)
A	1.30%	0.17%	1.47%
	Of the value of the fund was incurred as expenses relating to the administration of the fund	Of the value of the fund was incurred as costs relating to buying and selling of assets underlying the fund	Of the value of the fund was incurred as costs relating to the investment of the fund

EFFECTIVE ANNUAL COST ("EAC")

Boutique Collective Investments adopted the ASISA Standard on Effective Annual Cost ("EAC"). The EAC measure allows you to compare charges on your investments as well as their impact on your investment returns prior to investing. For further information regarding the ASISA Standard on Effective Annual Cost and access to the EAC calculator please visit our website at www.bcis.co.za

MONTHLY FIXED ADMINISTRATION FEE

R15 excluding VAT which will apply to all direct investor accounts with balances of less than R100 000 at month end, unless the investor transacts on-line, in which case no such fee will be levied.

FAIS CONFLICT OF INTEREST DISCLOSURE

Please note that your financial advisor may be a related party to the co-naming partner and/or BCI. It is your financial advisor's responsibility to disclose all fees that he/she receives from any related party. The portfolio's TER includes all fees paid by the portfolio to BCI, the trustees, the auditors, banks, the co-naming partner, underlying portfolios, and any other investment consultants/managers as well as distribution fees and lisp rebates if applicable. The portfolio's performance numbers are calculated net of the TER expenses. The investment manager earns a portion of the service charge and performance fees where applicable. In some instance, portfolios invest in other portfolios which forms part of the BCI Schemes. These investments will be detailed in this document as applicable.

RISK DISCLOSURE

- This portfolio carries exposure to mainly property securities.
- Property by nature is a moderate risk investment.
- Where the asset allocation contained in this MDD reflect offshore exposure, the portfolio is exposed to currency risks.
- The portfolio is exposed to interest rate risks and is sensitive to inflation and interest rate cycles.
- The portfolio is suitable for medium term investment horizons

INVESTMENT MANAGER

Sesfikile Capital (Pty) Ltd is an authorised Financial Service Provider, FSP 39946.

- Additional information, including application forms, annual or quarterly reports can be obtained from BCI, free of charge or can be accessed on our website www.sesfikilecapital.com.
- Valuation takes place daily and prices can be viewed on www.bcis.co.za or in the daily newspaper.
- Actual annual performance figures are available to existing investors on request.
- Upon request the Manager will provide the investor with portfolio quarterly investment holdings reports.

DISCLAIMER

Boutique Collective Investments (RF) (Pty) Ltd ("BCI") is a registered Manager of the Boutique Collective Investments Scheme, approved in terms of the Collective Investments Schemes Control Act, No 45 of 2002 and is a full member of the Association for Savings and Investment SA. Collective Investment Schemes in securities are generally medium to long term investments. The value of participatory interests may go up or down and past performance is not necessarily an indication of future performance. The Manager does not guarantee the capital or the return of a portfolio. Collective Investments are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees, charges and maximum commissions is available on request. BCI reserves the right to close portfolio to new investors and reopen certain portfolios from time to time in order to manage them more efficiently. Additional information, including application forms, annual or quarterly reports can be obtained from BCI, free of charge. Performance figures quoted for the portfolio is from Morningstar, as at the date of this minimum disclosure document for a lump sum investment, using NAV-NAV with income reinvested and do not take any upfront manager's charge into account. Income distributions are declared on the ex-dividend date. Actual investment performance will differ based on the initial fees charge applicable, the actual investment date, the date of reinvestment and dividend withholding tax. Investments in foreign securities may include additional risks such as potential constraints on liquidity and repatriation of funds, macroeconomic risk, political risk, foreign exchange risk, tax risk, settlement risk as well as potential limitations on the availability of market information. Certain investments - including those involving futures, options, equity swaps, and other derivatives may give rise to substantial risk and might not be suitable for all investors. Boutique Collective Investments (RF) Pty Ltd retains full legal responsibility for the third party named portfolio. Although reasonable steps have been taken to ensure the validity and accuracy of the information in this document, BCI does not accept any responsibility for any claim, damages, loss or expense, however it arises, out of or in connection with the information in this document, whether by a client, investor or intermediary. This document should not be seen as an offer to purchase any specific product and is not to be construed as advice or guidance in any form whatsoever. Investors are encouraged to obtain independent professional investment and taxation advice before investing with or in any of BCI/the Manager's products.

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