

NewFunds S&P Namibia Bond ETF

Minimum Disclosure Document - 30 June 2021

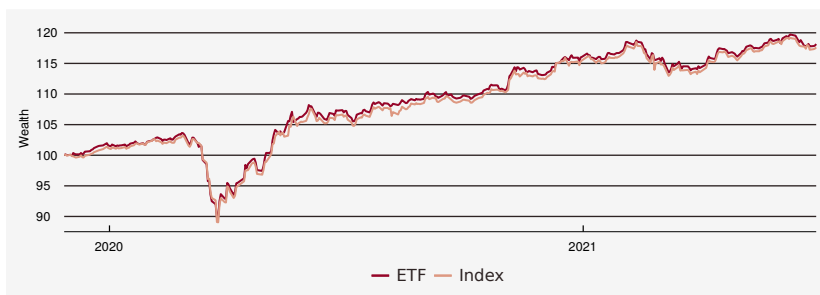


Portfolio objectives

The Portfolio has been established with the intention of allowing an Investor to obtain market exposure to the Top 10 largest Sovereign Bonds issued by the Government of the Republic of Namibia. The Portfolio will track and replicate the total return version of the S&P Namibia Sovereign Bond 1+ year Top 10 Index in local currency of the Republic of Namibia, an index whereby each constituent bond has a maturity of greater than or equal to 12 months. The index is created and maintained by S&P Dow Jones Indices, and is a subset of the full Namibia Sovereign Bond Index. The Portfolio will replicate the performance of the index in local currency, rebalance monthly in line with the Index, and reinvest all income received by the Portfolio into the constituents securities of the index thereby increasing the net asset value of the Portfolio. The Portfolio will be listed on both the Namibian Stock Exchange (NSX) and Johannesburg Stock Exchange (JSE) as an Exchange Traded Fund (ETF), and can be traded throughout any trading day at prevailing market prices.

Performance and statistics

Cumulative wealth chart



Source: Absa CIB. The ETF and Index has been rebased to 100 on the listing date.

Returns table

| Period | ETF (%) | Index (%) | Diff. |
|--------------------|---------|-----------|-------|
| 3 Months | 3.16 | 3.34 | -0.18 |
| YTD | 1.81 | 1.84 | -0.04 |
| 1 Year (Ann.) | 10.45 | 10.67 | -0.23 |
| 3 Years (Ann.) | - | - | - |
| 5 Years (Ann.) | - | - | - |
| Full Period (Ann.) | 11.05 | 10.73 | 0.32 |

Risk statistics

| Statistic | ETF (%) |
|---------------------|---------|
| Risk (Ann.) | 11.64 |
| Max. Drawdown | -13.38 |
| Best Month | 7.18 |
| Worst Month | -10.14 |
| Best Annual Return | 23.37 |
| Worst Annual Return | 10.45 |

Income distributions

| Month | Gross (cents per unit) | Net (cents per unit) |
|--------------|------------------------|----------------------|
| April 2021 | 34.22 | 34.22 |
| January 2021 | 34.77 | 34.77 |
| October 2020 | 34.32 | 34.32 |
| July 2020 | 32.40 | 32.40 |

Annualised return is the weighted average compound growth rate over the period measured. Performance is calculated using the NAV of the Portfolio and represents only past performance. An individual's performance may differ to that of the portfolio as a result of initial fees, brokerage, actual investment date, dividend withholding tax and income reinvestment date. The reinvestment of income is assumed to be effected on actual distributed amount net of withholding taxes; and on distribution payment date.

Portfolio details

| | |
|---------------------------------------|---|
| Manager | NewFunds (RF) (Pty) Ltd |
| Asset Manager | NewFunds (RF) (Pty) Ltd |
| Asset Administrator and Pricing House | Maitland Fund Services (Pty) Ltd |
| Market Maker | Absa Bank Limited and Cirrus Securities (Pty) Ltd |
| Trustees | Standard Chartered Bank |
| Benchmark Index | S&P Namibia Sovereign Bond 1+ Year Top 10 Index |
| Index Calculation Agent | S&P Dow Jones Indices |
| ASISA Fund Category | Regional - Interest Bearing - Variable Term |
| Exchange | JSE / NSX |
| JSE Code | NFNAMB |
| NSX Code | NFNAMA |
| ISIN | ZAE000276770 |
| Base Currency | ZAR |
| Portfolio Listing Date | 29 November 2019 |
| Net Asset Value | R308 223 637 |
| NAV per Security | R16.21 |
| Securities Issued | 19 012 246 |
| Utilisation Rate | 1% ⁵ |
| Dividend Frequency | Mar, Jun, Sep & Dec |
| Gross Dividend Yield | 8.37% |
| Fund Valuation | 17h00 |
| Rebalance Frequency | Monthly |
| Price Information | aiss.absa.africa |

Monthly returns table - last 5 years

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|------|-----|------|-------|-----|-----|------|-----|-----|-----|-----|-----|-----|
| 2021 | 0.6 | -1.0 | -0.9 | 1.4 | 2.4 | -0.6 | - | - | - | - | - | - |
| 2020 | 0.6 | 1.0 | -10.1 | 7.2 | 6.9 | 0.6 | 1.4 | 0.7 | 0.5 | 1.0 | 2.0 | 2.6 |
| 2019 | - | - | - | - | - | - | - | - | - | - | 0.0 | 1.6 |

Investor benefits

Diversification: Investors obtain diversified exposure to a basket of Namibian Sovereign Debt securities.

Easy market access: Investors can access difficult to reach markets.

Liquidity: Absa Capital Securities (Pty) Ltd and Cirrus Securities (Pty) Ltd act as market makers and provide daily liquidity on the ETF.

Transparency: The Portfolio holdings, investment methodology, constituent details and net asset value information is available to investors daily.

Lower cost: ETFs have a lower fee structure.

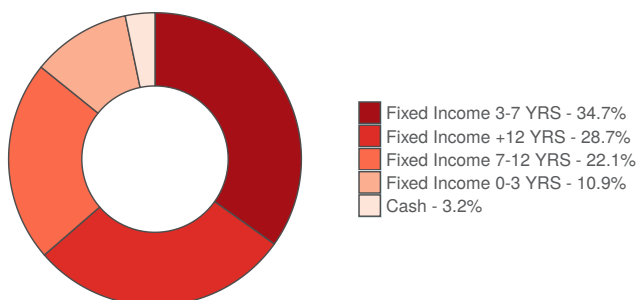
Investor protection: ETFs are fully backed by the underlying securities.

Traded like a share: ETFs are Unit Trust Portfolios which trade on the JSE and NSX.

Regulation: NewFunds ETFs are registered as Collective Investment Schemes and regulated by the Financial Sector Conduct Authority.

Exposure

Portfolio asset allocation



Source: Absa CIB.

Top 10 portfolio holdings

| Name | Type | Weight (%) |
|--------------------|----------|------------|
| Gc30 8% 150130 | 7-12 YRS | 12.17 |
| Gc27 8% 150127 | 3-7 YRS | 11.83 |
| Gc24 10.50% 151024 | 3-7 YRS | 11.79 |
| Gc23 8.85% 151023 | 0-3 YRS | 10.89 |
| Gc25 8.50% 150425 | 3-7 YRS | 10.81 |
| Namigb 9% 150432 | 7-12 YRS | 9.92 |
| Namigb 9.5% 150735 | +12 YRS | 8.55 |
| Namigb 9.5% 150737 | +12 YRS | 7.04 |
| Namigb 9.8% 151040 | +12 YRS | 6.89 |
| Gc45 9.85% 150745 | +12 YRS | 6.20 |
| Total: | | 96.09 |

Legal disclaimer

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Portfolio details (cont.)

| | |
|-------------------------------------|--------------------|
| Management Fee | 0.10% ¹ |
| Annualised TER | 0.10% ² |
| Annualised Transaction Charges | 0.00% ³ |
| Annualised Total Investment Charges | 0.10% ⁴ |

Notes

1. Management fee is the fee which the manager charges for managing the portfolio and is inclusive of VAT. Where the TER is lower than the management fee, the Manager has subsidized or waived allowable expenses. Such subsidies and waivers are not guaranteed perpetually and a higher TER may incur in the future.
2. The Total Expense Ratio (TER) is expressed as a percentage of the daily NAV calculated over a rolling 3 year annualised period.
3. The Transaction Cost of the Portfolio is expressed as a percentage of the daily NAV and is calculated over a rolling 3 year annualised period.
4. The Effective Annual Cost (EAC) measure is a combined sum of the TER and Transaction costs.
5. Scrip Lending - The portfolio does engage in scrip lending.
6. The fees above are as at 30 June 2021.

Glossary of terms

Annualised Return - The weighted average compound growth rate over the period being measured.

Annualised Risk - A measure of how much the investment return varies from its average over time.

Constituent Security - A stock which is part of a larger portfolio.

Drawdown - A measure of the deterioration of the portfolio from its historical peak (highest level of the fund), measured since the relevant reference point.

Exchange Traded Funds (ETF) - A listed instrument listed on the JSE whereby the investor essentially owns a proportionate share of the underlying investments held by the Portfolio.

Net Distribution - Accrued income and dividends less portfolio expenses, which is distributed to investors.

Portfolio Risk - A measure of the risk inherent in a portfolio incorporating individual stock volatility as well as the covariance structure of stocks in the portfolio.

Scrip Lending - The lending of securities from one party (being the holder of the securities) to another party (the borrower). The borrower provides collateral for the securities borrowed.

Total Expense Ratio (TER) - This is the total costs associated with managing and operating an investment (excluding financial planning). These costs consists primarily of management fees and other operational expenses such as audit and custody fees. A higher TER 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 TERs.

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