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Quarterly Newsletter

Third Quarter 2024

Q3 Global Market Commentary: Navigating the Shifting Economic Landscape

In a significant shift, the Federal Reserve recently cut U.S. interest rates by 50-basis points, signalling an extended cycle of monetary easing. This move marks a pivot from the Fed's earlier single-minded focus on combating inflation to a more balanced approach aimed at maintaining a strong labour market while addressing economic uncertainties. Investors are now tasked with navigating an increasingly complex environment, where both monetary policy and labour market health take centre stage.

The third quarter of 2024 delivered impressive equity market performance, with U.S. stocks reaching all-time highs. However, the journey was far from smooth. A volatile stretch in late July and early August rattled investors as a weaker-than-expected jobs report stoked fears of an impending recession. Despite these concerns, the market regained momentum by the end of the quarter, buoyed by positive signals from the Federal Reserve and encouraging global developments.

Let us break down the key drivers behind the market's performance and what to expect moving forward.

Labour Market Resilience Amid Volatility: The U.S. labour market continues to play a pivotal role in shaping investor sentiment. The third quarter saw a mixed bag of employment data, with soft July and August job reports heightening recession fears. A rebound in hiring during September helped ease concerns, reassuring investors that the economy remains on solid ground. While the labour market shows resilience, weather-related disruptions and potential economic headwinds could lead to uneven jobs data in the fourth quarter. However, with the unemployment rate hovering near 4%, the outlook remains relatively stable, suggesting that labour market strength will continue to support the broader economy.

Federal Reserve: Easing Into 2025: The Fed's decision to lower interest rates by 50-basis points, bringing the federal funds target range to 4.75%-5.00%, was a key driver of the market's recovery. Importantly, the Fed has signalled a gradual pace of rate reductions through 2025, providing clarity and reassurance to investors looking for more accommodative monetary policy in the face of global economic challenges. Historically, rate cuts have been a tailwind for risk assets, as lower borrowing costs support corporate investment and consumer spending. The Fed's dovish stance indicates that it is ready to act should economic conditions worsen, giving the market room to breathe after months of uncertainty.

Global Stimulus: China and Japan Enter the Fold: China's aggressive stimulus measures have been another crucial factor propelling global markets. The People's Bank of China (PBOC), alongside regulators, unleashed its most significant economic support since 2015, focusing on stabilising the country's property market. With a mix of rate cuts, relaxed mortgage lending standards, and increased liquidity for stock purchases, these measures are designed to boost confidence in the struggling Chinese economy. Japan, too, has contributed to the global economic boost by adopting a less hawkish monetary policy stance. These developments have combined to fuel strong performance in emerging market equities.

Market Highlights: Third Quarter at a Glance

- **S&P 500 Performance**: The index closed the quarter with its fourth consecutive gain, hitting 18 new all-time highs. After an 8.5% retracement in early August, the S&P 500 rallied strongly, boosted by the Fed's rate cut and favourable economic data.

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"We have to practice defensive investing, since many of the outcomes are likely to go against us. It's more important to ensure survival under negative outcomes than it is to guarantee maximum returns under favourable ones."
*— **Howard Marks, <u>The Most Important Thing: Uncommon Sense for the Thoughtful Investor</u>***

- **Bonds Rally**: U.S. Treasuries and corporate bonds delivered positive returns as yields fell, offering some relief to fixed-income investors who had endured rising rates for much of the past year. Notably, the yield curve flipped positive in early September after remaining inverted since mid-2022, signalling renewed optimism about the future of economic growth.
- **Gold Surge**: Gold posted its best quarterly performance since the first quarter of 2016, driven by expectations of faster rate cuts and increased demand for safe-haven assets amid market uncertainty.
- **China's Stimulus Impact**: The sizeable stimulus package from China boosted emerging market (EM) equities, helping them achieve strong returns during the quarter.

Looking Ahead: Our Q4 Market Outlook: As we enter the final quarter of the year, several factors point to a cautiously optimistic outlook for risk assets. Positive earnings growth, cooling inflation, and more accommodative central banks create a supportive environment for equities. While consumer activity has moderated, it remains robust, and job creation continues at a healthy pace. However, investors should brace for heightened volatility. Geopolitical risks, including ongoing trade tensions and election-related uncertainties, will keep markets on edge. These risks suggest that the road ahead could be bumpy, but we remain confident that U.S. stocks will continue to perform well, particularly companies with strong balance sheets and cash flows.

Positioning for the Future: We maintain a positive stance on U.S. equities, particularly given the broadening of the rally to a wider range of stocks. As economic growth moderates and profit margins peak, we expect S&P 500 earnings growth to decelerate from 11% in 2024 to around 8% in 2025. With valuations currently hovering at 21 times forward earnings, future gains may be more subdued compared to recent years. However, corporate balance sheets remain healthy, and cash flows are robust, supporting our outlook. Our strategy remains to capitalise on market weakness, selectively adding high-quality companies to our portfolio when they trade at attractive valuations.

Conclusion: Staying the Course: While uncertainties abound, from geopolitical risks to economic slowdowns, the backdrop for risk assets remains fundamentally strong. With the Fed's supportive monetary policy, a resilient labour market, and global stimulus measures, our investors are well-positioned to navigate the current environment. We believe that staying disciplined and focusing on quality will allow our investors to weather short-term volatility and capture long-term gains.

Local Market Commentary

The third quarter of 2024 began amidst the early days of the Government of National Unity (GNU). The formation of the GNU was seen as positive by global investors and capital allocators which aided in fuelling the local equity stock market to new record highs, returning 9.61% for the quarter, and pushing the yield on the 10-year government bonds from 9.94% down to 8.85%.

Most of the returns, however, were experienced in the latter half of the quarter, where we saw inflation in both the US and SA peaking and subsequently beginning to decline. This led to the first interest rate cuts in some time by both central banks. The Fed surprised many by cutting its funds rate by 0.50%—a larger cut than expected. In response, the South African Reserve Bank made a more modest cut of 0.25%, ultimately leading to a brief rally in the Rand which strengthened from 18.43 to 17.46 at the quarter's close, even testing 17.00 levels at one point over the period. This rally was a combination of the USD weakening in response to the rate cuts and the Rand regaining some lost ground.

South Africa's economy is highly correlated to global commodity cycles due its significant reliance on the extraction, production, and export of natural resources. China, which has been one of the main drivers of demand for commodities since the turn of the century, is experiencing a protracted slowdown in its own economy which will dampen the need for materials such as steel, iron-ore, platinum, etc. President Xi has announced stimulus measures to kick-start the economy, but it is becoming evident that additional measures will be required.

Geopolitical tensions continue around the world, as we see the war in Ukraine raging on, US-China relations remain fractious and the conflict in the Middle East is only escalating. In the short-term, this may benefit South Africa due to rising commodity prices but the overall impact will likely be negative due to disruptions in trade, reduced foreign investment from heightened uncertainty, weakening investor confidence, and rising costs.

Strength of Diversity in Fund Management

The Martyrdom of Saint Ursula—Caravaggio

This account of Ursula's martyrdom, where she stands as a solitary figure surrounded by soldiers, evokes themes of strength and resilience. Caravaggio masterfully illustrates her death, using the interplay of hands to tell the story: the hands that fire the fatal arrow, the outstretched hands of the powerless bystander, and Ursula's hands framing her wound.

Ursula has long been a symbol of female empowerment, and her story resonates with the struggles women face in many fields, including fund management.

Much like Ursula, women in science have historically faced systemic exclusion. Britain's Royal Society barred women for nearly 300 years, considering them "non-legal persons." Even Marie Curie, despite winning two Nobel Prizes, faced rejections from prominent institutions. Rosalind Franklin's story further exemplifies this, with her groundbreaking work on DNA being credited to her male colleagues, leaving her without proper recognition during her lifetime. This pattern of overlooking women's contributions persists across many industries, including finance.

The recognition of women like Emmanuelle Charpentier and Jennifer Doudna, who won the Nobel Prize for their CRISPR/Cas9 gene-editing discovery, offers hope for change. Their work revolutionised medicine and agriculture, highlighting the vital role women play in advancing science. Such achievements inspire future generations of women, not only in science but also in finance, where their impact is equally profound.

This underrepresentation extends to fund management, where women remain a minority. Despite some progress, women manage or co-manage just 7% of retail investment funds. Yet, studies from Goldman Sachs and Hedge Fund Research show that female-managed funds often outperform their male-led counterparts, especially during periods of market volatility like the 2008 financial crisis and the Covid-19 pandemic.

These statistics highlight the unique value women bring to fund management. Their ability to consider diverse viewpoints, listen carefully, and manage time effectively translates into better risk management and decision-making. The outperformance of female-managed funds demonstrates that gender diversity directly correlates with improved results.

Just as Caravaggio's portrayal of Ursula captures her strength and resilience in the face of overwhelming odds, women in fund management demonstrate these same qualities. Ursula's unwavering resolve mirrors the determination and capability women bring to finance—breaking barriers and shaping the future of their industry. Diversity is not only essential to success but also key to navigating the complexities of an ever-evolving financial world.

The Platinum BCI Worldwide Flexible Fund

Global equities continued their upward trajectory this quarter, with the MSCI World Index gaining 6%, reflecting ongoing optimism across markets. Notably, the Hang Seng Index surged 19%, driven by China's broad-based economic stimulus. This Chinese rebound had a ripple effect, boosting global markets, including South Africa. The JSE All Share Index responded with a 9% gain, marking its third-best quarterly performance since 2013, buoyed by positive sentiment surrounding political and structural reforms in the country.

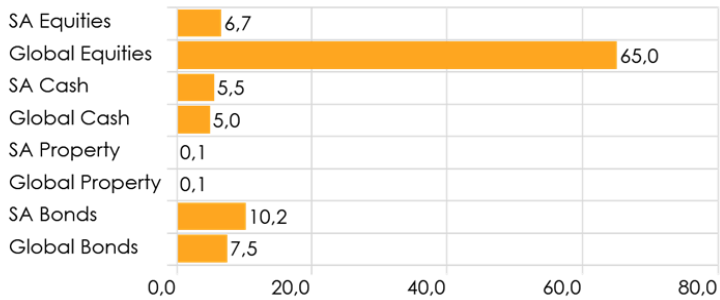
In South Africa, interest rate movements remain a central force shaping equity performance. This quarter, the South African Reserve Bank (SARB) made its first rate cut since 2020, reducing the repo rate by 25 basis points to 8%. Although viewed as a cautious step, market sentiment suggests that further rate cuts—potentially up to 100 basis points—could be on the horizon over the next year. This easing could provide crucial support to domestic equities, especially in a more challenging global macroeconomic environment.

Our fund posted a modest quarterly gain of 0.61%, underpinned by strategic adjustments in equity exposure. Equity allocation increased by 4%, driven by new purchases, notably McDonald's, as well as growth within the existing portfolio. Currently, the fund's equity exposure stands at 71%, a level we are comfortable maintaining given the strength of the underlying assets. We remain confident in our exposure to high-quality multinational companies, which offer global diversification and act as a hedge against currency volatility. This diversified approach has historically provided stability, even in turbulent markets.

Top Performers and Portfolio Highlights: McDonald's, Aflac, and Walmart were standout performers this quarter, delivering robust returns that contributed to the fund's overall growth. While last quarter's top performers – Microsoft, Qualcomm and Cencora - underperformed slightly this period, local bond exposure helped counterbalance the weaker USD, adding stability to the portfolio.

Outlook: Stability and Long-Term Growth: In the short term, the fund has demonstrated stability, maintaining its position as one of the top performers in its sector. Our long-term strategy continues to focus on diversification and careful asset selection, positioning the fund for future growth. We remain optimistic about the outlook for global markets and our ability to navigate shifting market dynamics through strategic, disciplined management.

Asset allocation



Top Holdings

Dodge & Cox Worldwide Global Bd USD Acc	7,04
Prescient Global Income Provider B	6,80
Microsoft Corp	6,02
Berkshire Hathaway Inc Class B	5,29
Cencora Inc	4,48
Granate BCI Multi Income D	4,17
Aluwani BCI High Yield D	4,03
Taquanta Active Income FR R4	3,68
Williams-Sonoma Inc	3,01
Zoetis Inc Class A	3,00

Trailing Returns

As of Date: 2024/09/30

	Last Q	1 Yr	3 Yrs	5 Yrs	10 Yrs
Platinum BCI Worldwide Flexible A	0,61	10,44	10,81	10,26	10,61
SA CPI +5%	1,85	9,64	10,88	10,20	10,18
(ASISA) Wwide MA Flexible	2,57	15,61	8,81	9,80	8,34

Note: Quarterly performance since inception: Highest 13.17% Lowest –6.68%. Annualised return is weighted average compound growth rate over the period measured. Actual annual figures are available to the investor on request. Source Morningstar as at 30 September 2024.

The Platinum BCI Balanced Fund of Funds and the Platinum BCI Income Provider Fund of Funds

Most asset classes provided strong returns for the quarter, allowing our funds to provide investors with excess returns over their inflation benchmarks. The **Balanced Fund of Funds returned 3.17%** for the quarter against its **CPI+4% benchmark return of 1.61%** while the **Income Provider Fund of Funds returned 2.08%** against its **CPI+2% benchmark return of 1.11%.**

Heading into the quarter, we were conservatively positioned in relation to our peers with a lower overall exposure to growth assets such as equities. Locally, there are many concerns such as the strength and durability of the GNU, the extreme proposed electricity price increases, the success of the turnaround strategy of Transnet, the effects that China's slowdown will have on our commodity-led economy, and the low expected growth rate of the country.

While we did hold an overweight position in local bonds as we felt bond yields were trading at excessive levels, we implemented an overweight bias to global assets. Over the past quarter we have seen the Rand regaining some of its lost ground to the USD in conjunction with general Dollar weakness. This has translated into underwhelming returns in relation to our peers. With hindsight, we can see that the election outcomes have resulted in better investor sentiment, leading to strong returns in local equities and the strengthening of the currency.

However, as inflation has peaked in most G7 countries and subsequently in South Africa, global interest rates have begun to decrease, which historically has been favourable for equities, as lower borrowing costs tend to boost consumer spending. In light of this, we are seizing opportunities to increase our overall equity exposure in our funds.

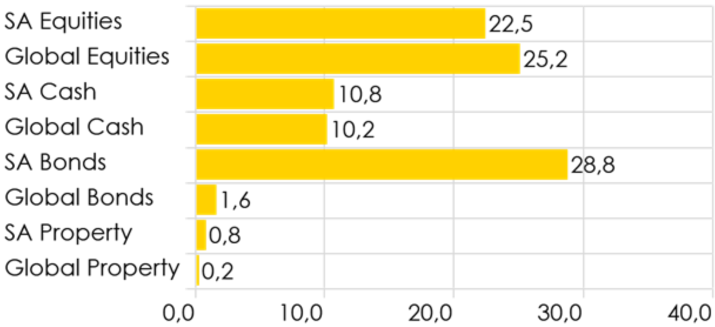
Our solutions are not structured to outperform our peers, but rather to provide private clients with a return above inflation or cash rates in order for them to achieve their specific financial goals over the long-term. Our Fund of Funds solutions are carefully structured along an efficient frontier to achieve a specific return above inflation at the lowest possible risk.

A new low-cost strategy was introduced into the Balanced Fund, in the form of the Vanguard Dividend Appreciation ETF. This global, rules-based solution invests into large, liquid companies with a history of increased dividends and growing cash flows. The addition of this ETF not only enhances the diversification of our global equity exposure but also provides direct fee savings to our investors, ensuring more value accrues to the bottom line of their investments.

We are always prudent in our approach of managing our investors' money, never positioning our funds for a binary outcome. We remain hopeful for South Africa and the potential growth the country can achieve but we are conscious of the structural challenges facing the economy and the significant reforms that are required. Accordingly, we have retained our bias to offshore assets and will continue to look for appropriate entry points to increase equities when the market presents the opportunity.

Final thoughts: Our goal remains clear: By taking a prudent, long-term approach, we aim to deliver inflation-beating returns while minimising risks, all with an unwavering focus on ensuring clients achieve their financial goals.

Platinum BCI Balanced FoF -Asset Allocation



Top Holdings

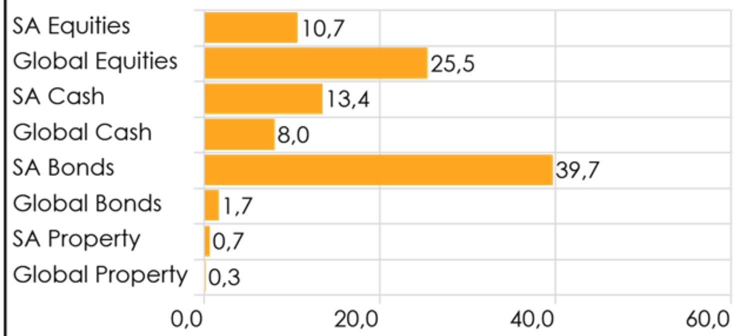
The Platinum Global Managed B USD Acc	26,29
Granate BCI Multi Income D	14,05
Aluwani BCI High Yield D	13,89
Taquanta Active Income FR R4	13,43
36ONE BCI Equity D	8,22
Truffle SCI General Equity C	7,16
Aylett Equity Prescient A1	6,58
M&G Equity Fund F	6,22
Fairtree Equity Prescient A2	3,12

Trailing Returns

As of Date: 2024/09/30

	Last Q	1 Yr	3 Yrs	5 Yrs	10 Yrs
Platinum BCI Balanced FoF A	3,17	12,18	8,40	8,79	7,57
SA CPI +4%	1,61	8,60	9,83	9,15	9,13
(ASISA) South African MA Medium Equity	5,46	17,45	9,74	9,33	7,22

Platinum BCI Income Provider FoF -Asset Allocation



Top Holdings

The Platinum Global Managed B USD Acc	32,42
Granate BCI Multi Income D	17,68
Aluwani BCI High Yield D	17,55
Taquanta Active Income FR R4	16,93
36ONE BCI Equity D	4,04
Truffle SCI General Equity C	3,44
Aylett Equity Prescient A1	3,07
M&G Equity Fund F	2,71
Fairtree Equity Prescient A2	1,53

Trailing Returns

As of Date: 2024/09/30

	Last Q	1 Yrs	3 Yrs	5 Yrs	10 YrS
Platinum BCI Income Provider FoF A	2,08	10,56	7,57	7,17	7,17
SA CPI +2%	1,11	6,50	7,71	7,05	7,03
(ASISA) South African MA Low Equity	5,46	16,37	9,27	8,53	7,26

Note: Quarterly performance since inception: Platinum BCI Balanced fund: Highest 8.62% Lowest –3.90%. Platinum BCI Income Provider fund: Highest 5.28% Lowest –1.84%. Annualised return is weighted average compound growth rate over the period measured. Actual annual figures are available to the investor on request. Source Morningstar as at 30 September 2024.

Platinum BCI Defensive Income Fund of

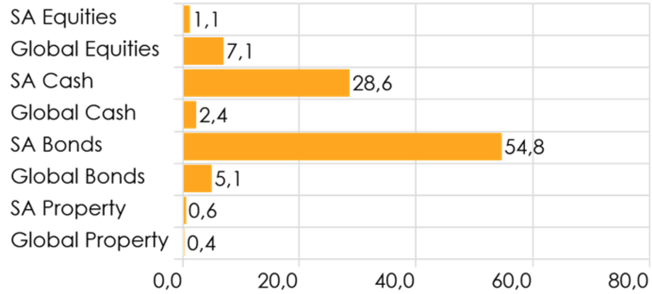
The Defensive Income FoF provided investors with 2.63% returns over the quarter, outperforming the STeFI+2% benchmark's return of 2.33%.

Granate, one of the core managers in the fund, continues to provide strong absolute returns as the fund took advantage of decreasing bond yields with a healthy allocation to nominal government bonds. In addition, the allocation to local property benefited from a strong rally over the period.

Credit spreads in South Africa and Europe contracted over the period, allowing for our credit managers to take advantage and provide solid returns for the fund. It is also pleasing to note that there have been no defaults in the strategies since we invested.

The fund is now a year old, allowing the MDDs to reflect performance and risk statistics (as per FSCA regulations). We are highly pleased with this strategy which has provided investors with double-digit, benchmark-beating returns at significantly low risk. It is also comforting to see that this fund has not posted a negative month since its inception, which further emphasises the capital preservation nature of the solution.

Asset Allocation



Top Holdings

Aluwani BCI High Yield D	22,98
Granate BCI Multi Income D	22,87
Taquanta Active Income FR R3	22,15
BCI Income Plus H	16,33
The Platinum Global Managed B USD Acc	8,73
36ONE BCI Equity D	2,02

Trailing Returns

As of Date: 2024/09/30

	Last Q	1 Yr
Platinum BCI Defensive Income FoF A	2,63	10,75
STeFI Composite + 2%	2,32	9,63
(ASISA) South African MA Income	4,19	12,72

The Platinum Global Managed Fund USD

In an environment marked by increased market volatility, our fund delivered a solid performance, posting a **5.95% USD return** for the third quarter of 2024. This outpaced the sector average and closely tracked the MSCI World USD Index, which gained **6.2%** during the same period.

Key Drivers of Performance: Several of our companies made significant contributions to the fund's outperformance. Aflac stood out as our top performer, buoyed by its resilience in the insurance sector. Additionally, Walmart and McDonald's delivered strong returns, reflecting their robust business models and adaptability in the face of shifting consumer behaviour.

Strategic Adjustments: Increased Equity Exposure: We took advantage of market weakness in late July to increase our equity weighting to our target level of **70%**. This strategic decision involved adding McDonald's to our portfolio, a company we believe remains well-positioned in the current economic environment, and topping up on other undervalued stocks in our portfolio. By acting decisively, we ensured that we are aligned with our long-term investment strategy.

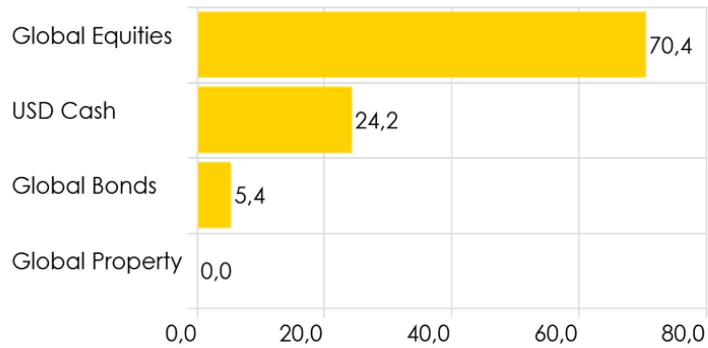
Confidence in Quality Holdings: We remain confident in the quality of our portfolio holdings. Every company in the fund has delivered earnings that either met or exceeded expectations. Our focus on high-quality, resilient companies has proven effective in navigating volatile markets, and we believe this approach will continue to protect and grow investors capital.

Market Outlook: Looking ahead, we anticipate positive but moderate returns from risk assets as the Federal Reserve moves toward with a gradual easing of monetary policy. Although global economic risks persist—particularly due to ongoing weaknesses in the goods sector—we believe that the consumer remains strong enough to sustain economic activity in the near term.

Managing Risk in Volatile Times: As market volatility persists, we are confident that the fund is well-positioned to protect investors. Our focus on high-quality companies with manageable debt and good cash flows, ensures that the portfolio remains resilient against market swings. Furthermore, by maintaining a disciplined approach to equity exposure, we aim to deliver steady returns while mitigating downside risks.

Final Thoughts: Despite current uncertainties, we believe that the fund's strategic positioning offers a solid balance between growth potential and risk management. Our strong portfolio of companies, combined with a clear focus on long-term opportunities, places us in a good position to continue delivering value to our investors.

Asset allocation



Top Holdings	
Microsoft Corp	5,64
Dodge & Cox Worldwide Global Bd USD Acc	4,36
Berkshire Hathaway Inc Class B	4,02
Prescient Global Income Provider B	4,01
Cencora Inc	3,99
Williams-Sonoma Inc	3,33
Visa Inc Class A	3,32
Zoetis Inc Class A	3,23
Abbott Laboratories	3,07
Walmart Inc	2,97

Trailing Returns

As of Date: 2024/09/30

	Last Q	1 Yr	3 Yrs	5 Yrs	10 Years
The Platinum Global Managed A USD Acc	5,95	18,47	5,66	7,32	7,02
EAA Fund USD Aggressive Allocation	4,56	20,22	3,30	6,70	4,97

Note: Quarterly performance since inception: Highest: 16.11% Lowest: -8.98%. Annualised return is weighted average compound growth rate over the period measured. All performance figures quoted are sourced from Morningstar. Period ending 30 September 2024. Actual annual figures are available to the investor on request.

Qualcomm: Powering the Next Era of Connectivity and Computing

We see Qualcomm's strategic shift into computing, automotive, and IoT markets as a key factor in why we like the company, as it allows Qualcomm to diversify their revenue streams beyond traditional mobile markets. Their leadership in 5G technology, along with efforts to expand through targeted acquisitions, provides a strong foundation for future growth. We believe Qualcomm's unique position as an enabler of connectivity across a wide range of industries, combined with their focus on advancing cutting-edge technologies, sets them up well to capitalise on the increasing demand for advanced solutions. This is why we are confident in having Qualcomm in our portfolio for the foreseeable future.

Expanding Beyond Mobile: The PC and AI Frontier

Qualcomm's traditional business has resolved around providing chips for smartphones, where they enjoy a strong market share thanks to their Snapdragon processors. However, with the smartphone market maturing and becoming more competitive, they have strategically started to diversify into other growth avenues. One of the most exciting developments is Qualcomm's entry into the PC market, supported by a strategic partnership with Microsoft. The collaboration aims to deliver Snapdragon-powered laptops with enhanced capabilities for AI and machine learning. By utilising their ARM-based processors, Qualcomm seeks to challenge the dominance of traditional x86 architecture in PCs, offering efficient and powerful alternatives that excel in connectivity, battery life and performance. These ARM-based processors compete with the x86 sets found in Intel and AMD CPUs. They use smaller, more optimised instructions, so the CPU can process tasks faster and using less power. ARM processors are usually also less expensive than x86 architecture. This strategic move is poised to position them as a key player in the next generation of computing, especially as AI becomes increasingly integrated into everyday applications.

There are rumours that Qualcomm may pursue an acquisition of Intel, or at least parts of its design business, as a strategy to bolster their product portfolio. The most significant target would likely be Intel's client PC design segment, aligning with Qualcomm's push to expand their presence in the PC market. However, a full acquisition of Intel is improbable, given the substantial antitrust concerns such a deal would raise. With Intel receiving strong support from the U.S. government through initiatives like the CHIPS Act, any merger would face intense regulatory scrutiny. Past examples, such as Nvidia's blocked attempt to acquire Arm Holdings in 2020 and Qualcomm's own unsuccessful bid for NXP in 2018 due to Chinese regulatory concerns, highlight the significant challenges in pursuing such a large-scale transaction. For now, the rumours remain speculative, with no indication that they will advance beyond this stage.

Automotive and IoT: Qualcomm's Next Growth Frontiers

Qualcomm's growth potential in the automotive and IoT sectors is substantial, as they leverage their Snapdragon Digital Chassis to enable connected and autonomous vehicle capabilities. With cars becoming more computerized and the shift toward electrification and autonomous driving accelerating, Qualcomm's strengths in connectivity, AI, and processing gives them a competitive edge in capturing a significant share of this expanding market. Similarly, the IoT sector presents a major opportunity, as the increasing demand for low-power, high-performance chips for smart devices, industrial IoT, and wearable technology aligns with Qualcomm's expertise in integrating connectivity, computing, and AI. Looking ahead, their ongoing advancements in 5G and leadership in developing 6G standards positions Qualcomm to benefit from both infrastructure and device growth. By embedding AI capabilities directly into their chipsets, Qualcomm is set to drive innovation and efficiency across mobile, computing, automotive, and other connected industries.

Positioned for Long-Term Growth

Qualcomm's efforts to diversify beyond their traditional mobile markets are setting the stage for sustainable growth across multiple sectors. Their advancements in computing, automotive, and IoT, along with strong leadership in 5G technology, provides a solid foundation for capturing future opportunities. By pursuing strategic acquisitions and continuously pushing the boundaries of connectivity and AI, Qualcomm is well-positioned to meet the evolving demands of a technology-driven world. We believe it will continue to be a valuable part of our portfolio, with the potential to deliver consistent returns as it drives innovation across key industries.

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Guernsey International Management Company Limited is the registered Manager of the Scheme together with the Fund, and is approved to provide investment management services to collective investment schemes in Guernsey by the GFSC. Platinum Portfolios Global (the "Investment Advisor") (Company No: 151696 C1/GBL) a Mauritian authorised discretionary financial services provider (FSC Licence No. C117022522 Code FS-4.1) is responsible for managing the assets of the Fund. Investments into the Fund should be a medium- to long-term investment. The value of the shares may go down as well as up and past performance is not necessarily an indication of future performance. Short-term borrowing will be allowed to the amount of 10% of the value of the Fund and will only be permitted for purposes of the redemption of Participating Shares. The Fund may enter into hedging transactions where it has acquired investments not denominated in its base currency. Currency risk may be hedged, at the discretion of the Investment Advisor. The margins and premiums payable for such transactions shall not exceed the Net Asset Value of the Fund. A schedule of fees and charges and maximum commissions is available on request from the Investment Advisor. The cell is valued daily at 23h00, on the business day preceding dealing day. The latest prices may be viewed at www.platinumportfolios.com. Instructions must reach the Manager before close of business 2 days before dealing. The Manager does not provide any guarantee, either with respect to the capital or the return of this cell. Additional information on the Fund can be obtained, free of charge from the Investment Advisor (www.platinumportfolios.com) or may be requested from the Manager. The Fund complies and is managed within the investment restrictions and guidelines for Foreign Collective Investment Schemes in terms of the Act. The Scheme and Fund are approved in terms of the Act The Scheme is an affiliate member of the Association for Savings and Investment South Africa ("ASISA"). The Total Expense Ratio (TER) is disclosed as the percentage of the average Net Asset Value of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio and underlying portfolios. The TER is calculated quarterly. 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 TER's. Individual investor returns may differ as a result of fees, actual date(s) of investment, date(s) of reinvestment or income and withholding tax. Annualised returns, also known as Compound Annualised Growth Rates, are calculated from cumulative returns; they provide an indication of the average annual return achieved from an investment that was held for the stated time period. Actual annual figures are available from the Investment Advisor on request. Performance figures quoted are from Morningstar, for a lump sum investment, using NAV-NAV prices with income distributions reinvested. This document should not be seen as an offer to purchase any specific product and is not to be construed as advice. Investors are encouraged to obtain independent professional investment and taxation advice before investing in the Fund.