

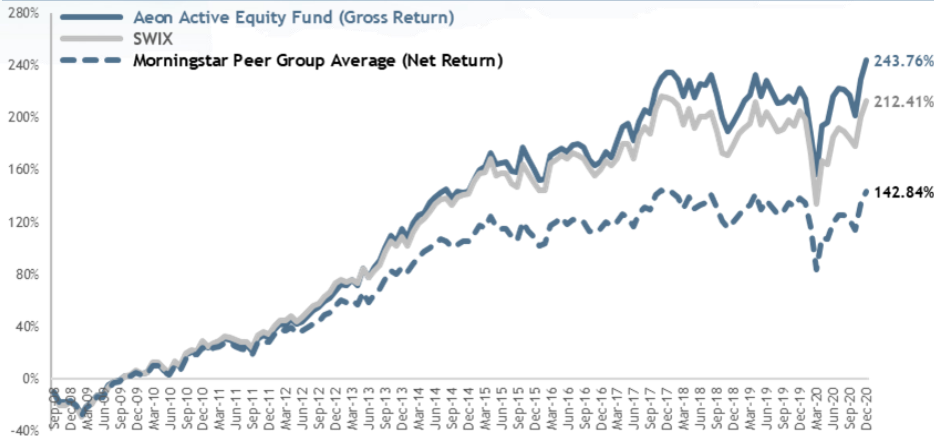
Aeon Active Equity Fund

Fund information as at 31 December 2020



Fund Performance

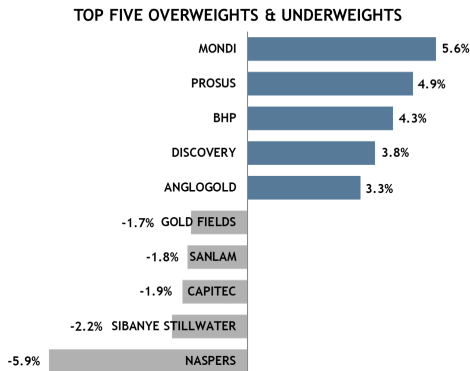
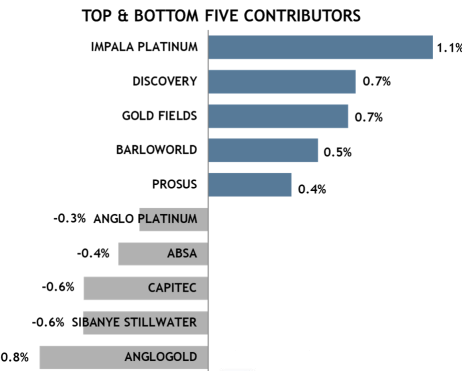
Cumulative Performance - since inception - Gross Return



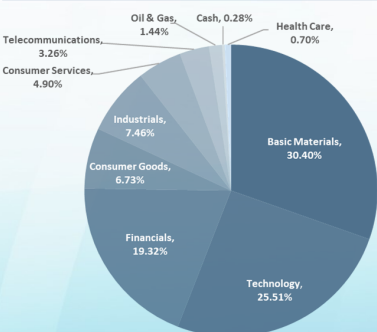
Monthly - Gross	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2015													
Fund	3.60%	2.98%	1.00%	4.03%	-3.17%	0.28%	0.44%	-2.80%	-0.28%	7.42%	-3.06%	-2.91%	7.14%
Benchmark	3.99%	2.56%	0.20%	4.31%	-4.86%	0.64%	-0.15%	-3.10%	-1.00%	7.28%	-2.70%	-2.90%	3.62%
2016													
Fund	-3.27%	0.13%	7.36%	1.00%	0.93%	-1.06%	1.86%	0.36%	-0.95%	-3.37%	-1.68%	0.96%	1.86%
Benchmark	-2.31%	0.06%	8.32%	1.25%	1.34%	-1.27%	1.88%	-0.66%	-0.89%	-2.81%	-2.35%	1.98%	4.13%
2017													
Fund	3.01%	-1.47%	4.24%	4.31%	0.73%	-4.29%	5.21%	2.79%	-0.67%	5.94%	2.53%	1.34%	25.79%
Benchmark	2.57%	-1.49%	2.24%	4.06%	-0.07%	-3.83%	6.34%	2.42%	-1.73%	6.51%	3.09%	-0.16%	21.21%
2018													
Fund	0.12%	-1.57%	-4.08%	3.86%	-3.89%	3.16%	-0.07%	2.39%	-4.54%	-5.59%	-3.59%	2.31%	-11.46%
Benchmark	-0.68%	-1.18%	-5.00%	4.29%	-4.73%	2.74%	0.10%	1.15%	-4.54%	-6.12%	-0.61%	2.90%	-11.67%
2019													
Fund	2.89%	2.82%	1.31%	4.95%	-5.08%	3.88%	-2.67%	-2.53%	0.07%	1.58%	-1.54%	3.47%	8.96%
Benchmark	3.09%	1.57%	1.25%	5.72%	-5.64%	3.12%	-2.21%	-2.50%	0.37%	2.64%	-1.55%	3.68%	9.32%
2020													
Fund	-2.34%	-9.05%	-10.65%	14.61%	1.02%	6.68%	1.96%	-0.28%	-1.28%	-5.05%	9.37%	4.38%	6.65%
Benchmark	-1.78%	-9.00%	-14.15%	14.07%	-0.97%	8.07%	2.37%	-1.03%	-1.63%	-2.38%	8.31%	3.95%	2.61%

Performance Summary - Gross Return	Fund	Benchmark	Active Return
1 month	4.38%	3.95%	0.43%
3 months	8.40%	9.91%	-1.51%
6 months	8.80%	9.54%	-0.74%
Year to date	6.65%	2.61%	4.04%
1 Year	6.65%	2.61%	4.04%
3 Years (annualised)	0.95%	-0.31%	1.26%
5 Years (annualised)	5.68%	4.57%	1.11%
7 Years (annualised)	6.97%	5.92%	1.05%
10 Years (annualised)	10.43%	9.28%	1.14%
Since Inception (cumulative)	243.76%	212.41%	31.35%
Since Inception (annualised)	10.53%	9.68%	0.85%

Fund Holdings (for the quarter as at 31 December 2020)



Sector Allocation



Top Ten Holdings (as a % of Total AUM)

Naspers	18.25
Prosus	7.26
BHP	6.64
Impala Platinum	6.48
Mondi	6.20
BTI	5.84
Standard Bank	5.48
Anglo American	5.37
Discovery	5.32
FirstRand	5.23

Investment Philosophy

Aeon Investment Management's equity investment style is Growth At a Reasonable Price (GARP). Our adaptation of the GARP style seeks to combine the best of growth and value investing, by buying companies with long term sustainable growth rates in earnings per share greater than that implied by the company's market valuation.

Fund Objectives

The Aeon Active Equity Fund seeks to achieve:

- Invest in high quality businesses at attractive prices that are positioned for long term growth.
- Outperform the client's equity benchmark over different investment cycles.
- Consistently apply our implied growth methodology.
- Manage risk through disciplined portfolio construction.
- Employ low cost trading techniques.

Fund Managers



Asief Mohamed
Chief Investment Officer



Jay Vomacka
Senior Portfolio Manager



Zaid Paruk
Portfolio Manager & Analyst

Fund Information

Benchmark: SWIX
Inception date: 1 September 2008
Fund size: R 13,174 million
Investment horizon: Five years plus

Risk Profile

Conservative	Moderate	Aggressive
		Aggressive

- Generally these portfolios hold more equity exposure than any other risk profiled portfolios therefore tend to carry higher volatility.
- Expected potential long term returns could be higher than other risk profiles, in turn potential losses of capital could be higher.

Fees & Charges

Institutional clients have the option of a flat fee or performance fee structure:

- **Flat Fee:** 0.50% p.a. plus VAT.
- **Performance Fee:** Base Fee of 0.35% p.a. plus VAT, plus Outperformance fee share participation rate of 20%. Out-performance capped at 300 bps based on a rolling three-year performance period.

Administration

Fund trustee & custodian: Nedbank Investor Services
Fund administration: Prescient Management Company (RF) (Pty) Ltd

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Aeon Investment Management (Pty) Ltd is an authorised FSP. FSP Number: 27126 | Level-1 BBBEE Contributor.

Aeon Active Equity Fund

Fund information as at 31 December 2020



Fund Performance Review & Market Commentary

The Aeon Active Equity Fund underperformed its benchmark by 151 bps for the fourth quarter of 2020 and is outperforming its benchmark by 404 bps over a one-year period.

Overweight positions in Impala Platinum and Discovery were the main positive contributors to return for the fourth quarter of 2020. An overweight position in AngloGold and an underweight position in Sibanye Stillwater were the main detractors. The benchmark equity index was up 9.91% for the fourth quarter of 2020.

The quarter ended December saw global markets strongly positive following improved market sentiment over good trade data from China, stimulus action by various economies, and increased COVID-19 vaccine news flow. A smooth transition following Joe Biden's win in the US election is also likely to continue being positive for markets. However, Covid-19 cases continue to escalate in certain regions of the US, Europe and Africa forcing some countries back into lockdown or partial lockdowns hampering economic recovery. A new 'strain' of the virus has also been detected increasing potential unknowns about the virus and its effects over the years to come. The situation remains fluid and market volatility is expected to remain. The sector that fared best for the quarter ended December was Banks led by Firstrand and Capitec. Healthcare was the weakest sector for the quarter, led by hospital groups Netcare and Mediclinic.

Globally, central banks have continued to be accommodative as a reactionary measure to tackle the pandemic. This implies strong government fiscal relief responses by numerous countries in an attempt to safeguard and stimulate their economies. An already low interest rate environment has left authorities with limited intervention capabilities. The Fed announced that it will be targeting average inflation of 2% going forward meaning that US interest rates could remain lower for longer. Compounding the problem, though, is business uncertainty and poor forecast visibility due to the new Covid-19 "strains" and "waves". Investors are analysing the reopening of worldwide economies as a gauge for global growth conditions with hope of a return to some normality over the coming year.

Locally, the domestic environment took cues from global markets with global Dollar weakness benefiting local industries such as Resources. Local sentiment has, however, continued to be negative as the country faces severe economic growth obstacles. S&P maintained the country's credit rating while Moody's and Fitch downgraded it citing the pandemic's impact, increasing government debt, and the risks of further pressure from SOEs' financial needs as concerns. South Africa's fiscal position remains constrained through poor policy decisions, and ineffective or non-existent implementation by government. Financial conditions may be difficult for South Africa in the years ahead with consumer spend also muted.

Looking forward, growth expectations for the local economy seem to be dependent on a strong recovery in global growth, improving confidence, positive local government action, and Covid-19 containment measures. Astute stock picking with our Growth at Reasonable Price (GARP) philosophy that delivers superior value through the cycle and a focus on companies whose cash flows support earnings is expected to stand us in good stead moving forward.

Disclaimer

Investors should take cognisance of the fact that there are risks involved in buying or selling any financial product. Past performance of a financial product is not necessarily indicative of future performance. The value of financial products can increase as well as decrease over time, depending on the value of the underlying securities and market conditions. Illustrations, forecasts or hypothetical data are not guaranteed and are provided for illustrative purposes only. This fact sheet does not constitute a solicitation, invitation or investment recommendation. Prior to selecting a financial product or fund it is recommended that investors seek specialised financial, legal and tax advice. The laws of the Republic of South Africa shall govern any claim relating to or arising from the contents of this document.

Glossary

Annualised performance: Annualised performance show longer term performance rescaled to a 1 year period. Annualised performance is the average return per year over the period. Actual annual figures are available to the investor on request.

Active Return / Alpha: Denoted the outperformance of the fund over the benchmark.

Contact Details

Investment Management

Aeon Investment Management (Pty) Ltd is an authorised Financial Services Provider (FSP No: 27126) under the Financial Advisory and Intermediary Services Act (No.37 of 2002), to act in the capacity as investment manager. This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No.37 of 2002). Please be advised that there may be representatives acting under supervision.

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