

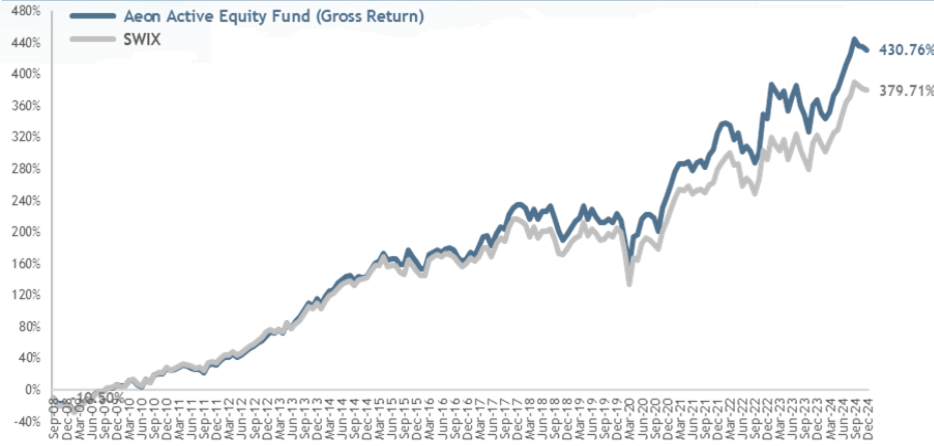
Aeon Active Equity Fund

Fund information as at 31 December 2024



Fund Performance

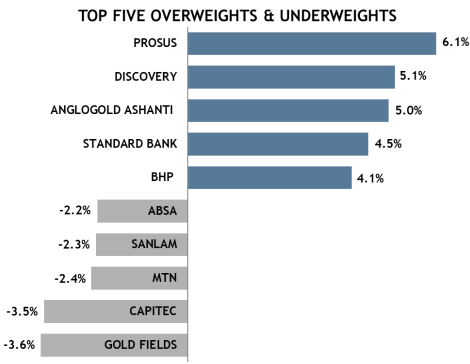
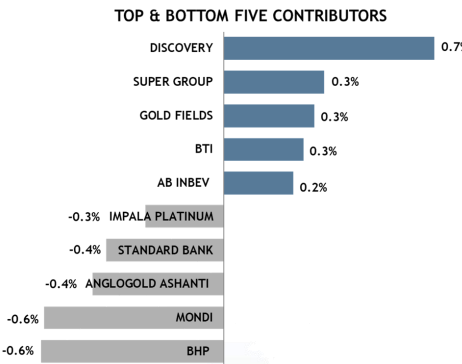
Cumulative Performance - since inception - Gross Return



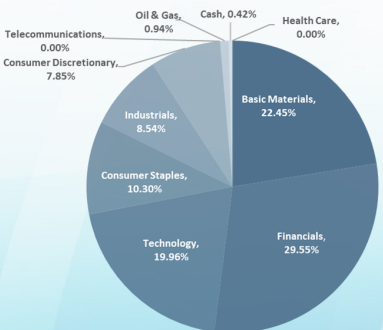
Monthly - Gross	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019													
Fund	2.89%	2.82%	1.31%	4.95%	-5.08%	3.88%	-2.67%	-2.53%	0.07%	1.58%	-1.54%	3.47%	8.96%
Benchmark	3.09%	1.57%	1.25%	5.72%	-5.64%	3.12%	-2.21%	-2.50%	0.37%	2.64%	-1.55%	3.68%	9.32%
2020													
Fund	-2.34%	-9.05%	-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%
2021													
Fund	4.45%	4.91%	2.47%	0.03%	0.69%	-2.99%	2.50%	1.01%	-2.09%	3.69%	1.92%	5.25%	23.72%
Benchmark	4.97%	4.61%	3.16%	-0.31%	1.31%	-2.79%	1.59%	0.38%	-1.44%	2.82%	0.68%	4.62%	21.06%
2022													
Fund	2.54%	0.28%	-0.56%	-4.16%	1.90%	-5.61%	1.80%	-1.63%	-3.56%	3.34%	12.35%	-1.31%	4.30%
Benchmark	2.30%	1.93%	1.35%	-3.95%	0.56%	-7.45%	2.83%	-1.33%	-3.86%	5.03%	9.95%	-2.67%	3.59%
2023													
Fund	9.65%	-1.70%	-1.74%	1.71%	-5.10%	3.81%	2.94%	-4.99%	-2.73%	-4.85%	8.03%	1.51%	5.33%
Benchmark	7.23%	-2.33%	-1.89%	3.35%	-5.85%	3.98%	4.11%	-4.85%	-3.06%	-2.96%	8.59%	2.53%	7.85%
2024													
Fund	-3.74%	-1.55%	2.09%	4.40%	1.91%	3.15%	3.25%	2.26%	3.93%	-1.54%	-0.26%	-0.74%	13.58%
Benchmark	-2.76%	-2.19%	2.86%	2.95%	0.96%	4.08%	3.92%	1.38%	4.04%	-0.92%	-0.94%	-0.29%	13.53%

Performance Summary - Gross Return	Fund	Benchmark	Active Return
1 month	-0.74%	-0.29%	-0.45%
3 months	-2.53%	-2.13%	-0.39%
6 months	6.96%	7.27%	-0.31%
Year to date	13.58%	13.53%	0.04%
1 Year	13.58%	13.53%	0.04%
3 Years (annualised)	7.66%	8.25%	-0.59%
5 Years (annualised)	10.49%	9.52%	0.97%
7 Years (annualised)	6.84%	6.18%	0.66%
10 Years (annualised)	8.11%	7.12%	0.99%
15 Years (annualised)	11.36%	10.56%	0.80%
Since Inception (cumulative)	430.76%	379.71%	51.05%
Since Inception (annualised)	10.76%	10.08%	0.68%

Fund Holdings (for the quarter as at 31 December 2024)



Sector Allocation



Top Ten Holdings (as a % of Total AUM)

Naspers	9.93
Prosus	10.03
Standard Bank	8.90
FirstRand	7.73
Discovery	6.44
AngloGold Ashanti	6.74
Anglo American	5.46
BTI	4.87
BHP Group	5.71
Mondi	7.11


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



Muneer Ahmed
Portfolio Manager & Analyst

Fund Information

Benchmark: SWIX
Inception date: 1 September 2008
Fund size: R 21,911.02 million
Investment horizon: Five years plus

Risk Profile

Conservative	Moderate	Aggressive
<ul style="list-style-type: none"> 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 B-BBEE Contributor.

Effective 1 November 2024 industry classifications have been updated.

Aeon Active Equity Fund

Fund information as at 31 December 2024



Fund Performance Review & Market Commentary

The Aeon Active Equity Fund (Composite) underperformed its benchmark by 39 bps for the fourth quarter of 2024 and is outperforming its benchmark by 4 bps over a one-year period.

Overweight positions in Discovery and Super Group were the main positive contributors to return for the fourth quarter of 2024. Overweight positions in BHP and Mondi were the main detractors. The benchmark equity index was down 2.13% for the fourth quarter of 2024.

The last quarter of the year was driven by the US election, in which former President Donald Trump was re-elected. His victory drove global equities higher, particularly the US equity market, which reached new highs, while emerging markets faced some weakness due to concerns about increased tariffs. In South Africa, the retail sector emerged as the top performer during the quarter, driven by companies like We Buy Cars, Cashbuild, and Pepkor. In contrast, the resources sector struggled, impacted by Sasol, Sibanye Stillwater, and Glencore.

In the US, the threat of resurging inflation persisted, with the latest inflation numbers indicating an increase. This led the US Fed to adopt a cautious stance in cutting interest rates amid mixed economic data. The European Central Bank continued to lower interest rates, cutting by 25 basis points during the quarter. Overall, global equities, as measured by the MSCI All Country World Index, posted a negative return of 0.9% in USD during the quarter. Emerging markets faced significant challenges, with the MSCI Emerging Markets Index declining by 7.8% in USD, driven by potential tariff increases by the US.

On the commodities front, gold prices reached record highs of \$2,790 per ounce, fuelled by heightened geopolitical risks surrounding the US election. Brent crude oil ended the quarter at about \$75 per barrel, up 4%. Meanwhile, other industrial metals like copper, iron ore, and nickel faced downward pressure due to reduced demand from China and a strong US Dollar.

Locally, the latest CPI declined to 2.9%, below the lower end of the inflation target range of 3%. However, even with this low inflation rate, the South African Reserve Bank only reduced interest rates by 25 basis points in their last meeting in November, taking a cautious approach. During the quarter, the latest GDP numbers indicated that the economy contracted by 0.3%, signalling an economy under strain. The currency faced some weakness due to uncertainty about the AGOA trade program and potential tariffs on exports to the US. On a positive note, S&P Global upgraded South Africa's credit rating outlook, signalling confidence in the country's economic reform progress.

This quarter, we highlight Prosus as a key portfolio pick. Its share price recently faced pressure following the US Department of Defence's designation of Tencent, its major investment, as a "Chinese Military Company." Tencent has firmly denied this and plans to appeal the decision. While the designation has no direct financial impact on Tencent, it has dampened investor sentiment.

Despite this, Tencent's fundamentals remain strong, supported by a capable management team and significant growth potential. Meanwhile, Prosus continues to trade at a substantial discount to its intrinsic net asset value. Under its ambitious new leadership, the company is making decisive efforts to unlock value by optimizing its core assets and divesting non-core investments.

We remain confident in Prosus' long-term potential and view the recent challenges as short-term noise, preferring a steady, measured approach rather than any reactive decisions.

In general, the fund's focus on disciplined stock selection using a Growth at Reasonable Price (GARP) philosophy—targeting companies with strong cash flows and earnings—is expected to benefit the portfolio moving forward.

Disclaimer

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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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