

INN8 INVEST FLEXIBLE GROWTH

Monthly Model Portfolio Factsheet as of 31 Mar 2024



Portfolio Information

Discretionary Fund Manager	INN8 Invest
Client Need	High Growth
Outcome Objective	SA CPI +5-6% over rolling 7-yr period
Benchmark	(ASISA) Wwide MA Flexible - Average
Launch Date	01 January 2022
Risk Profile	Aggressive
Regulation 28 Compliant	No

Risk Description

This portfolio is suitable for investors who seek to achieve long-term capital growth. These investors have an investment time horizon of seven to ten years and are willing to tolerate periods of high market volatility and the risk of capital loss, in exchange for maximising long-term capital growth. This portfolio mainly consists of growth assets and should therefore be seen as a high-risk strategy.

Investment Objective

This portfolio seeks to provide long-term capital growth with a low probability of capital loss over the long term. It aims to outperform the World Wide MA Flexible peer group average and achieve an outcome of CPI plus 5-6% p.a., while limiting the risk of negative real return over a seven-year view. As a growth-oriented portfolio, the portfolio's exposure to equities would typically range between 60% and 90%, but this may vary depending on market conditions.

Investment Strategy

The portfolio uses a multi-manager approach with a flexible asset allocation strategy. Asset allocation decisions are largely outsourced to the underlying portfolio managers. Manager selection and blending is an integral part of the service provided by INN8 Invest. As the appointed DFM of the portfolio, INN8 Invest will monitor the portfolio on a continuous basis, ensuring alignment to all of the stated objectives.

What Costs Can I Expect to Pay?

Model Portfolio Charge (MPC) incl. VAT	0.29%
Underlying Funds TER incl. VAT	0.87%
Underlying Funds TIC incl. VAT	1.04%

Please refer to the end of the factsheet for detailed notes on fees.

Performance*

	YTD	1 Year	2 Years	3 Years	5 Years	Since Inception
Portfolio	5.7%	16.4%	13.3%	10.5%	12.7%	10.3%
Benchmark	5.5%	17.1%	12.4%	9.6%	10.1%	7.9%
CPI+5% (1 month lag)	2.3%	10.6%	11.3%	11.1%	10.1%	10.2%

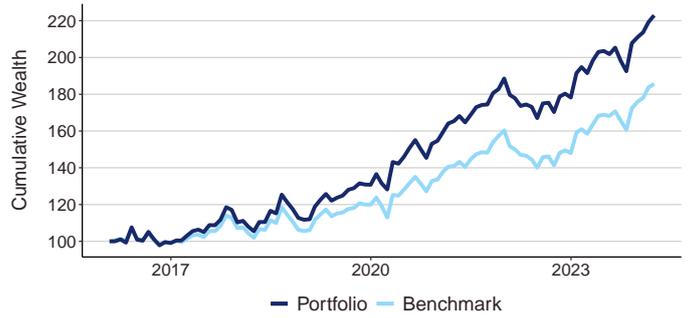
Returns greater than one year are annualised.

* Returns are net of Investment Fees.

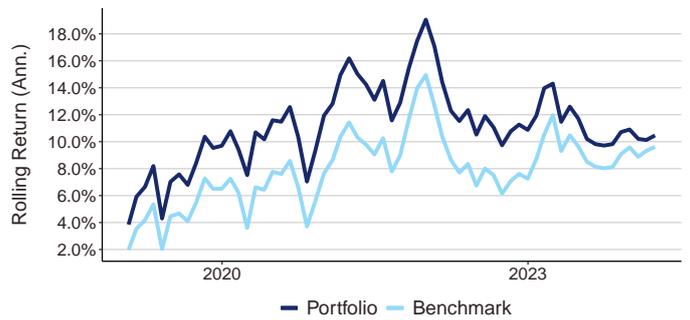
Risk Statistics - Last 3 Years

	Portfolio	Benchmark
Volatility	10.09%	9.89%
Max. Drawdown	-11.41%	-12.65%
Sharpe Ratio	0.48	0.41

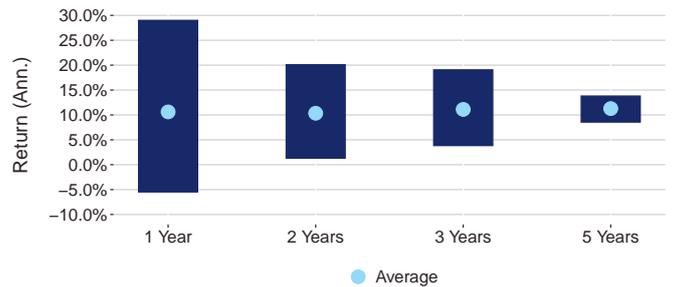
Investment Growth*



3 Year Rolling Return Chart - Since Inception*

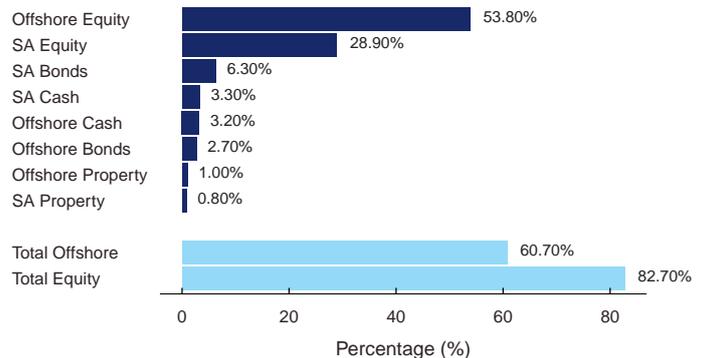


Rolling Return Distribution

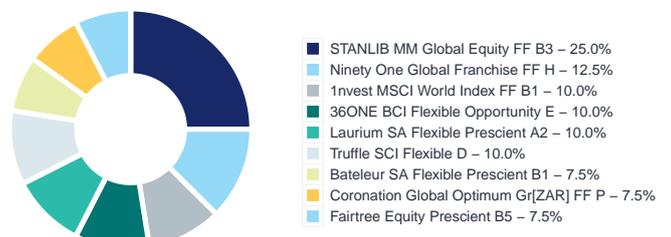


The rolling return distribution chart illustrates the highest, lowest, and average annualized returns over the specified period.

Asset Allocation



Portfolio Holdings



Quarterly Comments - As at 31 December 2023

- The solution outperformed its benchmark over the quarter.
- Risk assets performed relatively well over the quarter and most major asset classes delivered a positive return.
- SMM Global Equity was a top performer given the fund's exposure to hypergrowth stocks which experienced a strong rebound in Q4.
- Ninety One produced a solid return for the quarter. Having no exposure to energy stocks as well as their positioning in IT stocks benefitted returns. Exposure to ASML, Moody's, S&P and Intuit also aided performance.
- Laurium had a tough quarter on the back of some disappointing stock picks. Prosus, ABSA, British American Tobacco and Sasol all negatively impacted performance.
- 36One struggled over the quarter given their more conservative portfolio construct. Amongst their top stock picks, British American Tobacco and ABSA were the main detractors from performance. The fund's relatively small allocation to offshore equity detracted from relative performance.

Performance Drivers - As at 31 December 2023

	What helped?	What detracted?
Asset Allocation	<ul style="list-style-type: none"> • SA and Global Equity 	<ul style="list-style-type: none"> • SA and Global Cash
Manager Selection	<ul style="list-style-type: none"> • STANLIB MM Global Equity FF • Ninety One Global Franchise FF 	<ul style="list-style-type: none"> • 36ONE BCI Flexible Opportunity • Laurium SA Flexible Prescient

Underlying Managers and Approach

	Invest MSCI World Index FF	36ONE BCI Flexible Opportunity	Bateleur SA Flexible Prescient	Coronation Global Optimum Gr FF	Fairtree Equity Prescient
Investment Approach and Role within Solution	<ul style="list-style-type: none"> • Passive low cost exposure to a global equity index. • Tracks the MSCI World Index (developed markets only). 	<ul style="list-style-type: none"> • Boutique manager with style agnostic flexible offering, allowing for tactical trading opportunities to boost alpha. • Focus on avoiding equity landmines. • Typically performs relatively well during market drawdowns. 	<ul style="list-style-type: none"> • Traditionally been a cash/equity play but will take advantage of opportunities in other asset classes. • Smaller size adds more alpha levers than larger managers (i.e. active in mid-caps). • Hedge fund background adds a risk management focus – absolute return mindset • Aims to provide equity-like returns at lower levels of risk. 	<ul style="list-style-type: none"> • Wide degree of discretion to find investment opportunities across geographies and asset classes. • Has a dynamic asset allocation process, benchmark agnostic and flexible. • Adds flexibility to the solution with regards to asset allocation and alpha levers. 	<ul style="list-style-type: none"> • Used to add domestic equity exposure in the Solution. • Follows a top-down, bottom-up approach. • Style agnostic – will move between value and growth. • Concentrated portfolio (60 – 80 stocks). • Large and mid-cap preference.
	Laurium SA Flexible Prescient	Ninety One Global Franchise FF	STANLIB MM Global Equity FF	Truffle SCI Flexible	
Investment Approach and Role within Solution	<ul style="list-style-type: none"> • A slightly more aggressive return profile than most other flexible funds in the Solution i.e. Bateleur. • Adds more domestic equity exposure compared to Bateleur and Truffle. • Considers downside protection. • Adds additional alpha by taking opportunistic short-term positions. 	<ul style="list-style-type: none"> • Exposure to high quality companies associated with global brands and franchises to provide more consistent returns and stability in down markets. • Adds a defensive global equity component. 	<ul style="list-style-type: none"> • Multi-managed global equity offering which aims to deliver a diversified and consistent alpha profile within a well-managed risk framework • Exposure to six of the best differentiated active offshore-based managers, pre-packaged and constructed with the aim to deliver a more consistent alpha within a well-managed risk framework. 	<ul style="list-style-type: none"> • Bottom-up, relative valuation approach. • Equity centric but utilises more levers (asset classes) compared to other 'cash/ equity' type flexible funds • Aims to provide equity-like returns within a well-managed risk framework. 	

Fee Disclaimer

The Solution charges a Model Portfolio Charge of 0.25% p.a., ex VAT (0.29% incl. VAT), and this fee is accrued daily and paid monthly via a repurchase of units from the investor. Charges relating to the underlying portfolios are included in the TER and TIC, and these are payable within the underlying portfolios' NAV.

Underlying Funds TER: The weighted-average of the Total Expense Ratios (TER) of the underlying portfolios. Each fund's TER represents the fund's charges, levies and fees. A higher fund's TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER should not be regarded as an indication of future TERs.

Underlying Funds TIC: The weighted average of the Total investment Charge of the underlying portfolios. TIC represents the fund's TER plus brokerage, securities transfer taxes and STRATE levies.

Source: INN8 Invest and Morningstar. Quoted returns are net of MPC and underlying fund fees but are gross of tax, platform fees, advisory fees. The Solution launch date is 01 January 2022, and any performance prior to this is modelled using actual historical returns of the underlying portfolios as at inception for illustrative purposes. The Since Inception return figures reflect annualized performance since the start of the back-testing period of the model portfolio (not the period since the model was launched). The Since Inception date is 04 January 2016. It is not possible to calculate back-tested returns for periods earlier than this due to a lack of performance history for one or more of the underlying funds used in the model portfolio. Returns are not guaranteed and historical returns are not an indication of expected future returns.

Advice Fee | INN8 Invest does not provide financial advice and therefore does not charge advice fees. However, where an annual advice fee has been negotiated between the investor and their financial adviser, the advice fee will be paid by the LISP via a repurchase of units from the investor's account.

Effective Annual Cost (EAC) | For EAC calculations of the Solution, please refer to the investor's LISP statement. The Model Portfolio charge will be reflected in the "Other" category of the EAC table, whilst the in-fund fees of the underlying portfolios in the "Fees for Investment Management" category.

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