

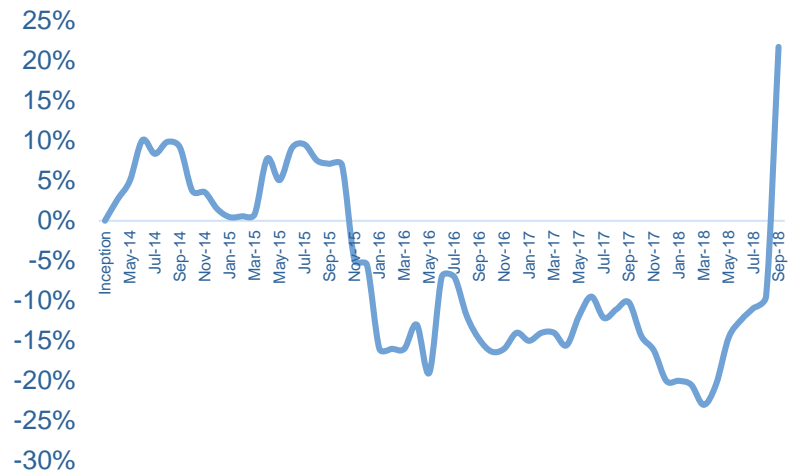
#### PROFILE AND OBJECTIVE

This fund invests in the JSE and OTC-listed BEE schemes. These instruments are typically geared and trade at discounts to their intrinsic value. At present, they can only be traded by qualifying investors (51% black-owned). As debt gets paid down and the discount narrows as they become freely traded (2016-2018), there should be an appreciable rise in the share prices, assuming increases in the underlying shares.

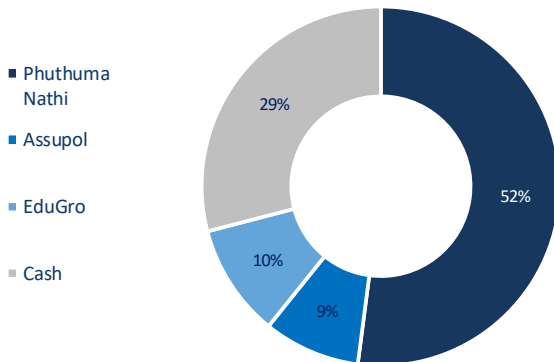
#### STRUCTURE

Black investors can invest in Shumba (Pty) Ltd, which owns 51% of the underlying investment company. Shumba shareholders are rebated 75% of performance fees of the total investment. White investors can invest in Ngala (Pty) Ltd, which owns 49% of the underlying investment company.

#### FUND PERFORMANCE SINCE INCEPTION



#### ASSET ALLOCATION AT 30 SEPTEMBER 2018



#### SHARE PRICES AS AT 30 SEPTEMBER 2018

	R
Shumba	12 172
Ngala	12 214

*\* After providing for capital gains tax on profit generated*

#### FUND MANAGER COMMENTARY AT 30 SEPTEMBER 2018

The BEE investment scheme ended the month up 34%.

Phuthuma Nathi ([PN], an effective interest in MultiChoice SA), the largest holding in the portfolio, ended the month sharply higher as parent company, Naspers Ltd, announced a plan to list its Pay TV unit which includes the investment in MultiChoice South Africa, Phuthuma Nathi's only asset. At the same time it was announced that Phuthuma Nathi would be given an additional 5% of MultiChoice South Africa for no additional consideration, increasing the assets value by 25% over night. Both sets of news flow sent the price of Phuthuma Nathi up by close to 100%.

During the month the investment in Sasol Inzalo was wound up. A special dividend was declared, thus ending the investment in Sasol Inzalo and increasing the portfolios cash position. We will continue to cautiously evaluate all listed and unlisted investment opportunities.

#### FACTS AND FIGURES

##### FUND MANAGERS

Anchor and Cartesian Capital



##### INCEPTION DATE

April 2014

##### MINIMUM INVESTMENTS

R1,000,000

##### FEE

1.00% p.a. (excl. VAT)

##### PERFORMANCE FEE

15% above 15% per annum, with a high watermark; 75% paid back to Shumba investors.

##### PORTFOLIO VALUE

R48mn