

## Fairtree Wild Fig Multi Strategy SNN QI Hedge Fund

### Minimum Disclosure Document - Class 1

29 February 2020

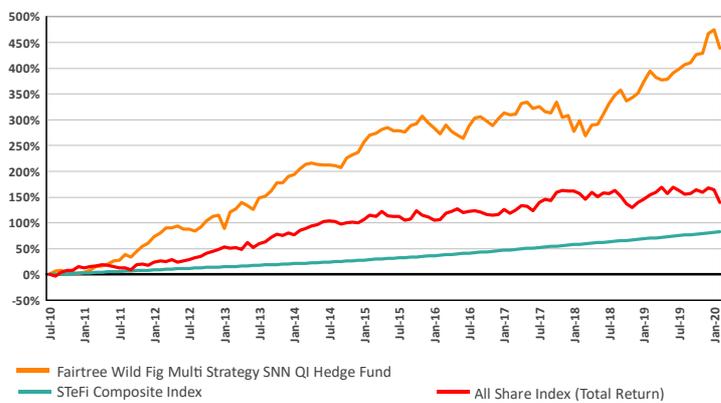
#### Fund Profile

The Fairtree Wild Fig Multi Strategy SNN QI Hedge Fund is diversified across three asset classes, equities; fixed income and commodities, with the strategic long term allocation framework seeking maximum asset class diversification in its portfolio construction technique. Tactical asset allocation decisions are taken to ensure the fund is appropriately exposed to the most attractive opportunity sets, without foregoing the benefit of a degree of asset class diversification. The portfolio is rebalanced at least monthly. Capital is allocated across the various strategy teams within the asset classes, with additional risk allocation introducing a further degree of gearing.

#### Investment Strategy

The portfolio invests in several strategies over various instruments, asset classes and portfolios. It combines a strategic risk allocation which provides the optimal diversification benefit across the various strategies, with tactical risk allocation to the most attractive opportunity sets as identified on a bottom up basis.

#### Cumulative Performance Since Inception



Fund Source: Sanne Fund Services SA (Pty) Ltd as at February 2020  
Index Source: Bloomberg as at February 2020

#### Return Analysis (annualised)

	Fund	All Share Index	STeFi
1 Year	8.94%	-5.71%	7.26%
3 Years	9.54%	3.15%	7.33%
5 Years	7.78%	2.21%	7.22%
Since Inception	19.22%	9.58%	6.49%

#### Risk Analysis

	Fund	All Share Index	STeFi
Sharpe Ratio	0.90	0.30	0.22
Sortino Ratio	1.74	0.56	0.36
Standard Deviation	13.67%	11.76%	0.25%
Best Month	16.67%	9.35%	0.66%
Worst Month	-11.90%	-8.99%	0.00%
Highest Rolling 12 Months	67.31	32.74	7.71
Lowest Rolling 12 Months	-10.38	-12.56	5.16
Largest Cumulative Drawdown	-15.09%	-12.56%	n/a
% Positive Months (Since Inception)	68.70%	58.26%	n/a
Correlation (Monthly)	0.25		
Value at Risk (VaR) 95%	8.19%		

The above benchmark(s) are for comparison purposes with the fund's performance. The fund does not follow the benchmark(s).

#### Fund Details

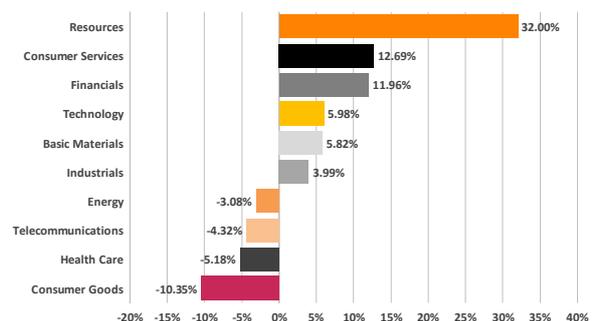
Risk Profile:	Medium - High
Portfolio Manager:	Bradley Anthony and Kurt van der Walt
Fund size (in Millions):	R 604.9
NAV Price (Inception):	R 1000 (Class A1)
NAV Price (as at month end):	R 5,812.74
Number of Units:	166,908.48
JSE Code:	FTWFIG
ISIN Number:	ZAE000259107
Inception Date:	31 August 2010
CISCA Inception Date:	1 April 2017
ASISA Classification:	Qualified Investor Hedge Fund - South African - Multi-Strategy
Benchmark:	N/A
Minimum Investment:	R 1 000 000 Lump sum
<b>Fees</b>	
Management Fee:	2% p.a (excl.VAT)
Performance fee (uncapped):	20 % of excess above the high water mark (excl.VAT)
<b>Cost Ratios (incl. VAT)</b>	
Total Expense Ratio (TER%):	6.47%
Transactions Costs Ratio (TC%):	0.53%
* Total Investment Charges (TIC%):	7.00%
Performance Fee (PF) Included in TER:	3.61%
Income Distribution (Declaration):	Last day of December
Distribution Total for the past 12 months:	0.00 cpu for December 2018
Investment Manager contact details	Fairtree Asset Management (Pty) Ltd
Telephone Number:	+27 86 176 0760
Website:	www.fairtree.com

\*Total Investment Charges (TIC%) = TER (%) + TC (%)

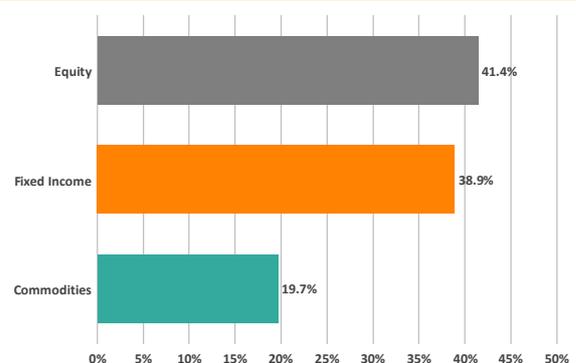
#### Portfolio Objective

The long-term objective of the portfolio is to achieve consistent absolute returns through investment in risk controlled strategies.

#### Sector Allocation



#### Asset Allocation



### Increase in NAV Attributable to Investors

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>2010</b>								6.82%	1.02%	-3.82%	-0.26%	-1.28%	<b>2.21%</b>
<b>2011</b>	1.74%	3.97%	7.26%	0.79%	3.35%	4.50%	1.13%	8.45%	-3.55%	8.92%	6.52%	4.03%	<b>57.67%</b>
<b>2012</b>	7.19%	4.72%	5.45%	-0.26%	2.00%	-2.95%	0.11%	-2.05%	4.09%	5.87%	4.56%	1.20%	<b>33.65%</b>
<b>2013</b>	-11.90%	16.67%	2.48%	5.65%	-2.79%	-2.68%	9.54%	1.55%	3.99%	5.95%	0.10%	4.39%	<b>34.83%</b>
<b>2014</b>	1.20%	3.59%	3.00%	0.60%	-0.64%	-0.52%	0.05%	-0.26%	-1.17%	5.91%	1.77%	1.71%	<b>16.09%</b>
<b>2015</b>	5.81%	3.86%	1.07%	1.77%	0.91%	-1.36%	-0.12%	-0.74%	3.38%	0.89%	3.79%	-3.29%	<b>16.79%</b>
<b>2016</b>	-2.41%	-2.93%	4.44%	-3.02%	-2.03%	-1.53%	6.31%	4.25%	0.59%	-2.34%	-1.99%	3.60%	<b>2.31%</b>
<b>2017</b>	2.74%	-0.93%	0.26%	4.90%	0.79%	-3.01%	0.86%	-2.16%	-0.63%	4.97%	-6.62%	0.69%	<b>1.27%</b>
<b>2018</b>	-7.45%	5.46%	-7.47%	5.80%	0.36%	5.01%	5.17%	3.51%	2.36%	-4.54%	1.42%	2.01%	<b>10.82%</b>
<b>2019</b>	4.68%	4.54%	-2.57%	-0.88%	0.22%	2.52%	1.43%	1.69%	0.83%	3.23%	0.29%	7.40%	<b>25.56%</b>
<b>2020</b>	1.25%	-6.22%											<b>-5.05%</b>

\*The inception date for the portfolio is 31 August 2010. The historical performance figures until the end of 31 March 2017 reflect performance achieved prior to CISCA regulation. The portfolio has been transitioned under CISCA regulations on 1 April 2017 and has since been managed as a regulated product. The annualized total return is the average return earned by an investment each year over a given time period, since date of the launch of the fund. Actual annual figures are available from the manager on request. The highest and lowest 1 year returns represent the highest and lowest actual returns achieved during a 12 month rolling period year since the original launch date of the portfolio. The performance figures given show the yield on a Net Asset value ("NAV") basis. The yield figure is not a forecast. Performance is not guaranteed and investors should not accept it as representing expected future performance. Individual investor performance may differ as a result of initial fees, time of entry/actual investment date, date of reinvestment, and dividends withholding tax. Performance is calculated for a lump sum investment on a Net Asset Value basis. The performance figures are reported net of fees with income reinvested.

### Risk Profile

<b>Risk Level:</b>	<b>Low</b>	<b>Low-Medium</b>	<b>Medium</b>	<b>Med-High</b>	<b>High</b>
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The risk category shown is not guaranteed and may change over time. The lowest category does not mean the investment is risk free. There may be other special areas of risk relating to the investment including liquidity risk, credit risk, market risk, and settlement risk. Sanne Management Company (RF) (Pty) Ltd, ("the manager"), and the investment manager do not render financial advice. Our risk indicator does not imply that the portfolio is suitable for all types of investors. You are advised to consult your financial adviser.

### Portfolio Valuation & Transaction Cut-Off

Portfolios are valued monthly. The cut off time for processing investment subscription is 10:00am on the last day of the month prior to enable processing for investment on the first day of the next month.

### Total Expense Ratio

A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's. Transaction Costs are a necessary cost in administering the financial product and impacts financial product returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of financial product, the investment decisions of the investment manager and the TER.

### Market Commentary

Global markets fell aggressively in February and the sell-off continued into March to record the first global bear market since 2008 and it took only 16 days, the fastest over the last 60 years. US 10-year treasuries dropped -36bps taking the year to date drop with year to date drop now -100bps as investors looked for safety. The 10-year SA government bond (R2030) yield closed 14bps higher 9.11% and the All Bond Index dropped -0.4% while the All Share Index declined -9%. The Rand lost around 4% against the US dollar. Foreigners continue to sell local bonds.

Coming into 2020 underlying global economic activity has shown signs of improvement with fading trade tension, improving manufacturing activity and accommodative central bank policy. The global economy has now been hit with two shocks; Covid-19 and oil price war. Prior to these two events some pockets of the market have re-rated to elevated levels which we viewed unsustainable.

Current market volatility reflects significant uncertainty around the Covid-19 outbreak, the impact of containment measures, and the oil price war between Russia & Saudi Arabia. In Asia; China, South Korea, Singapore and Hong Kong has implemented aggressive containment measures which has been successful in containing and slowing down the spread of the corona virus. Measures taken in Europe and the US has not delivered the same results yet.

Economic data has weakened meaningfully in China and will weaken in Europe and US over the next months. We will see negative growth for Q1 in China and close to zero growth in other global markets. However, activity in China has started to pick up as the number of new cases decreased. We expect China to show a recovery over Q2. We only see a recovery in US and Europe later this year. Global earnings will come under more pressure given the combination of the demand and supply shock delivered by containment measures and impact on energy companies. Offsetting these pressures are the drop in oil prices which should be good for global consumers, lower interest rates, lower US dollar and the strength with which the US consumer entered this year. Given current financial conditions and outlook for further policy easing we believe a recovery will be at play during H2-2020, under the most likely assumption that Covid-19 will fade towards mid-year.

Recent price action has put pressure on liquidity and market functioning. The Fed's 50bps cut earlier in the month and asset purchase announcements was aimed at reducing these pressures. We believe the Fed and global central banks will continue to ease financial conditions via rate cuts and potentially asset purchases. We also believe that targeted fiscal measures would be announced by various governments.

**Equities:** Equities have de-rated and the outlook for global earnings growth has weakened with a high degree of uncertainty. However, aggressive central bank and fiscal policies will provide some support to equities. It's too early to get excited about local equities. We do believe that the domestic economy will start to benefit from interest rate cuts and more economic reforms, but this will take time. We like selected local and global exposed cyclical assets with strong global earnings growth potential and companies with the ability to generate cash sustainably. We like resources given tight supply and relative attractiveness of China vs other markets.

**Fixed Income:** South Africa's inflation remain low while inflation expectation decreases further. Given current weak economic activity and downside risk to inflation the SARB may continue with its rate cut cycle.

**Currency:** We believe the US dollar strength has stabilised and that recent uncertainty around US growth and potential for aggressive policy action could drive US dollar lower.

**Alternatives:** We believe higher levels of volatility amongst asset classes and securities will increase dispersion and lead to a more favourable environment for alternative assets to perform.

**Please Note:** The above commentary is based on reasonable assumptions and is not guaranteed to occur.

### Glossary

<b>Net Asset Value (NAV):</b>	Means net asset value, which is the total market value of all assets in a portfolio including any income accruals and less and deductible expenses such as audit fees, brokerage and service fees.
<b>Annualised Return:</b>	Is the weighted average compound growth rate over the performance period measured.
<b>Highest &amp; Lowest Return:</b>	The highest and lowest rolling twelve-month performance of the portfolio since inception.
<b>Total Expense Ratio (TER) :</b>	Reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. 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.
<b>Transaction Costs (TC) :</b>	Is the percentage of the value of the Fund incurred as costs relating to the buying and selling of the Fund's underlying assets. Transaction costs are a necessary cost in administering the Fund and impacts Fund returns.
<b>Total Investment Charges (TIC):</b>	Should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Fund, investment decisions of the investment manager.
<b>Total Investment Charges (TIC%):</b>	= TER (%) + TC (%): The Total Investment Charges (TIC), the TER + the TC, is the percentage of the net asset value of the class of the Financial Product incurred as costs relating to the investment of the Financial Product. It should be noted that a TIC is the sum of two calculated ratios (TER+TC).
<b>Standard Deviation:</b>	The deviation of the return of the portfolio relative to its average.
<b>Drawdown:</b>	The greatest peak to trough loss until a new peak is reached.
<b>Sharpe Ratio:</b>	The ratio of excess return over the risk-free rate divided by the total volatility of the portfolio.
<b>Sortino Ratio:</b>	The ratio of excess return over the risk-free rate divided by the downside deviation of the portfolio.
<b>Correlation:</b>	A number between -1 and 1 indicating the similarity of the dispersion of returns between the portfolio and another asset or index with 1 being highly correlated, -1 highly negatively correlated and 0 uncorrelated.
<b>Value at Risk ( VaR):</b>	Value at risk is the minimum loss percentage that can be expected over a specified time period at a predetermined confidence level.

### Fund Risk

<b>Leverage Risk:</b>	The Fund borrows additional funds, trades on margin or performs short sale trades to amplify investment decisions. This means that the volatility of a hedge fund portfolio can be many times that of the underlying investments due to leverage on a fund.
<b>Derivative Risk:</b>	Derivative positions are financial instruments that derive their value from an underlying asset. Derivatives are exposed to implicit leverage which could result in magnified gains and/or losses on the portfolio.
<b>Counterparty Credit Risk:</b>	Counterparty risk is a type of credit risk and is the risk of default by the counterparty associated with trading derivative contracts. An example of counterparty credit risk is margin or collateral held with a prime broker.
<b>Volatility Risk:</b>	Volatility refers to uncertainty and risk related to size of change of an instrument or portfolio. It is a statistical measure of the dispersion of returns for a given security or market index. Volatility is proportional to the directional exposure of a portfolio and is measured by Value at risk (VaR) which is a statistical technique used to measure and quantify the level of volatility.
<b>Concentration and Sector Risk:</b>	A large proportion of total assets invested in specific assets, sectors or regions. Concentrated positions or concentrated sectors in a portfolio will material impact the returns of the portfolio more so than diversified portfolios.
<b>Correlation Risk:</b>	A measure that determines how assets move in relation to each other. Correlation risk arises when the correlation between asset-classes change. Correlation risk also arises when the correlation within an asset-class changes. Examples of correlation within asset classes include equity pairs trading, fixed income curve trading and commodities pairs trading.
<b>Equity Risk:</b>	Applies to investment in shares or derivatives based on shares. The market price of shares varies depending on supply and demand of the shares. Equity risk is the risk of loss due to the drop in the market price of shares. Equity risk can either be systematic risk which is risk to the entire market based on political and economic indicators or unsystematic risk which is company specific and includes risk relating to company profits, future prospects and general consensus on the company or sector.
<b>Concentration and Maturity Segment Risk:</b>	A large proportion of total assets invested in specific assets and/or maturity segments on the yield curve. Concentrated positions in a portfolio will material impact the returns of the portfolio more so than diversified portfolios.
<b>Interest Rate Risk:</b>	The values of bonds and other debt securities are inversely proportional to the change in interest rates. Interest rate risk is generally greater for investments with longer maturities as well as when the market does not expect a change in the interest rates.
<b>Credit Default Risk:</b>	The risk that the government entity or company that issued the bond will run into financial difficulties and won't be able to pay the interest or repay the principal at maturity. Credit risk applies to debt investments such as bonds. The higher credit rating the less likely the possibility of the issuing company defaulting.
<b>Commodity Price Risk:</b>	Commodity price risk is the possibility that commodity price changes will cause financial losses for the buyers or producers of a commodity. Primary factors influencing commodity prices include politics, seasons, weather, technology and market conditions.

### Mandatory Disclosures

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**Management Company:** Sanne Management Company (RF) (Pty) Ltd (the "Manager"), **Registration Number:** 2013/096377/07, is authorised in terms of the Collective Investment Schemes Control Act (CISCA) to administer Collective Investment Schemes (CIS). **Physical Address:** Pier Place, Heerengracht Street, Foreshore, Cape Town, South Africa. **Telephone Number:** +27 21 202 8282. **Website:** www.snnmanco.com, **Trustee:** FirstRand Bank Limited, (acting through its RMB Custody and Trustee Services Division). **Physical Address:** 3 Merchant Place, Ground Floor, Corner Fredman and Gwen Streets, Sandton, 2146, **Telephone:** +27 87 736 1732.

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