

## Fairtree Jackalberry Equity Long Short SNN Retail Hedge Fund

Minimum Disclosure Document - Class 1

30 September 2020

### Fund Profile & Investment Policy

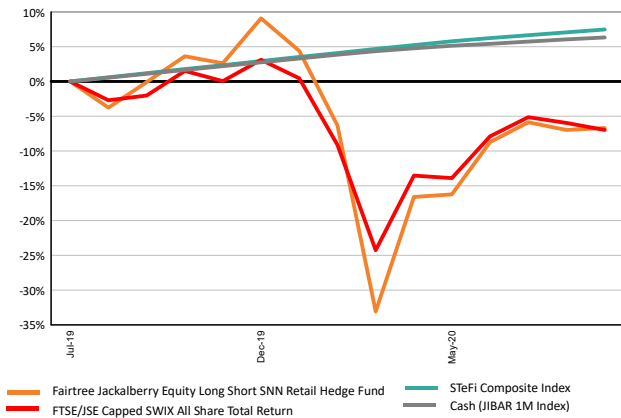
The portfolio is an aggressive equity long short hedge fund consisting predominantly of listed South African shares. The objective of the portfolio is to extract alpha returns predominantly from the South African equity market and thereby outperforming the aforesaid market.

### Investment Strategy

The returns are achieved through fundamental knowledge of South African stocks vis-à-vis economic growth and broad economic themes, as well as medium and long-term relative valuation opportunities.

### Investment Performance Summary Since Inception

Cumulative Fund Returns vs Market Indices



Fund Source: Sanne Fund Services SA (Pty) Ltd as at September 2020

Index Source: Bloomberg as at September 2020

### Fund Details

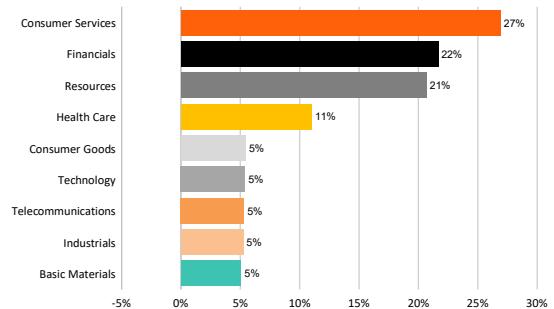
Risk Profile:	Medium - High
Portfolio Manager:	Andre Malan, Cornelius Zeeman and Deon Botha
Fund size (in Millions):	R 1.0
NAV Price (Inception):	R 1000
NAV Price (as at month end):	R 933.07
Number of Units:	1,078.43
JSE Code:	FJSL1
ISIN Number:	ZAE000277729
Inception Date:	1 August 2019
ASISA Classification:	Retail Hedge Fund - South African - Long/Short Equity - Long Bias
Hurdle/Benchmark:	Capped SWIX Index
Minimum Investment:	R50 000 or R2 000 monthly
Additional Lump sum:	R10 000
Fees	
Annual Base Fee:	1% (excl. VAT)
Performance fee (uncapped):	20% (excl. VAT)
Cost Ratios (incl. VAT)	
Total Expense Ratio (TER%):	7.04%
Transactions Costs Ratio (TC%):	0.05%
* Total Investment Charges (TIC%):	7.09%
Performance Fee (PF) Included in TER:	1.12%
Income Distribution (Declaration):	Last day of December
Distribution Total for the past 12 months:	0.0 cents per unit (cpu) for December 2019
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 (%)

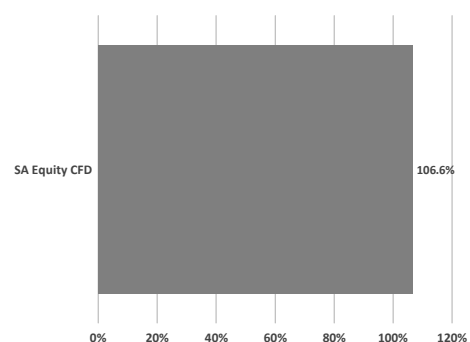
### Portfolio Objective

The objective of the portfolio is to extract alpha returns predominantly from the South African equity market and thereby outperforming the aforesaid market.

### Sector Allocation



### Asset Allocation



### Return Analysis (annualised)

	Fund	FTSE/JSE Capped	Stefi
1 Year	-6.60%	-5.02%	6.20%
3 Years	n/a	n/a	n/a
5 Years	n/a	n/a	n/a
Since Inception	-5.76%	-6.00%	6.35%

### Risk Analysis

	Fund	FTSE/JSE Capped	Stefi
Sharpe Ratio	-0.11%	-0.39%	n/a
Sortino Ratio	-0.16%	-0.57%	n/a
Standard Deviation	38.41%	23.94%	0.28%
Highest Rolling 12 Months	-3.34%	-3.36%	6.66%
Lowest Rolling 12 Months	-6.60%	-5.13%	6.20%
Largest Cumulative Drawdown	-0.04%	-0.03%	n/a
% Positive Months (Since Inception)	0.25%	0.14%	0.01%
Correlation (Monthly)	0.98%		
Value at Risk 95%	15.45%	n/a	n/a

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

### Risk Profile

<b>Risk Level:</b>	Low	Low-Medium	Medium	<b>Med-High</b>	High
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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 daily. The portfolio is now valued daily and the transactions cut-off time is 14:00pm on a business day. Investor instructions received after 14:00pm shall be processed the following business day.

### 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.

### Increase in NAV Attributable to Investors

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>2019</b>								3.76%	3.81%	3.73%	-0.97%	6.28%	<b>9.07%</b>
<b>2020</b>	-4.27%	-10.28%	-28.56%	24.62%	0.40%	9.01%	3.13%	-1.19%	0.31%				<b>-14.45%</b>

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.

### 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.

### 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>Alpha:</b>	Denoted the outperformance of the fund over the benchmark.

### Mandatory Disclosures

**Investment Manager:** Fairtree Asset Management (Pty) Ltd, **Registration Number:** 2004/033269/07 is an authorised Financial Services Provider (FSP25917) 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. **Physical Address:** Willowbridge Place, Cnr. Carl Cronje and Old Oak Road, Bellville, 7530. **Postal Address:** PO Box 4124, Tygervalley, 7536. **Telephone Number:** +27 86 176 0760. **Website:** www.fairtree.com.

**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.

Collective Investment Schemes are generally medium to long-term investments. The value of participatory interests (units) may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investments are traded at ruling prices and can engage in scrip lending and borrowing. A schedule of fees, charges and maximum commissions, as well as a detailed description of how performance fees are calculated and applied, is available on request from Sanne Management Company (RF)(Pty) Ltd ("the Manager"). The Manager does not provide any guarantee in respect to the capital or the return of the portfolio. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressure and in such circumstances, a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. Commission and incentives may be paid, and if so, are included in the overall costs. The Manager may close the portfolio to new investors in order to manage it efficiently according to its mandate. Prices are published daily on our website and local media. Additional information, including key investor information documents, minimum disclosure documents, as well as other information relating to the basis on which the manager undertakes to repurchase participatory interests offered to it, and the basis on which selling and repurchase prices will be calculated, is available, free of charge, on request from the Manager. The value of an investment is dependent on numerous factors which may include, but not limited to, share price fluctuations, interest and exchange rates and other economic factors. Where foreign investments are included in the portfolio, performance is further affected by uncertainties such as changes in government policy, political risks, tax risks, settlement risks, foreign exchange risks, and other legal or regulatory developments. The Manager ensures fair treatment of investors by not offering preferential fee or liquidity terms to any investor within the same strategy. The Manager is registered and approved by the Financial Sector Conduct Authority under CISCA. The Manager retains full legal responsibility for the portfolio. FirstRand Bank Limited, is the appointed trustee. Fairtree Asset Management (Pty) Ltd, FSP No. 25917, is authorised under the Financial Advisory and Intermediary Services Act 37 of 2002 to render investment management services.

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