# Strategic Global Property Portfolio [GBP]

Key Information Document
30 June 2021

## Investment Objective

Is to create a long term, stable, international return, in a lucrative, well established industry, by utilising private equity at the core of the portfolio. the focus of this portfolio is the property sector. Should stock markets, interest rates and inflation fluctuate over the medium to long term, the sector focus of the portfolio, has proven that it is recession and inflation

## Sector Focus

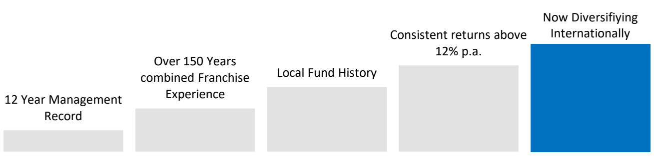
Underlying investments are primarily made into the international property industry. Property has proven to be resilient when faced with economic strife and the ability to enter into an already tried, tested and profitable model. It is our objective to, with management's experience, further improve/grow this already strong return base.

## Proven Concept

The Franchise Co, as private equity asset managers have developed:
A 12 year track record managing private equity assets
A local history of offering stable returns to external investors
A return of over 12% p.a. locally, since inception

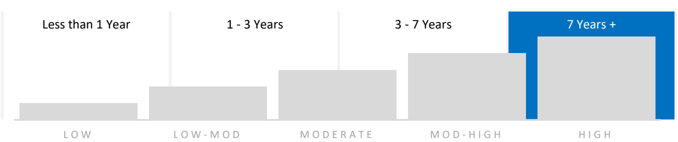
## International Diversification Focus

The Portfolio seeks to replicate the successful investment model developed in South Africa to the rest of the world, with a unique focus on private property investment. With the same objectives, focus and management teams that have contributed to its success.




## Risk Profile

The asset managers carefully select the underlying portfolio of assets, promoting exposure to real growth assets and not fluctuating listed equity - quality management, safeguarding and retention of assets as well as a portfolio that, as its principle, is to increase turnover and investor dividend returns.




* Private equity typically refers to investment funds that are not publicly traded and whose investors are typically large institutional investors or informed individuals.
* The portfolio is only suitable for long term investment horizons
* Private Equity has a proven track record of high investment returns, for long term investors

## Fund Information

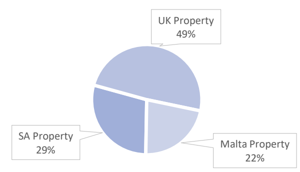
| | |
|---|---|
| Investment Manager | Everest Wealth |
| Asset Manager | The Franchise Co |
| Portfolio Size | R200 Million available for investment |
| Share Price | R 5,000 |
| Investment Term | 5 Years |
| Dividend Return | Currently fixed at 8% per annum [GBP] |
| Additional Full-term Dividend | Currently 10% special dividend target [GBP] |
| Dividend Declaration | Annually |
| Benchmark | FTSE All Share |

## Fee Structure (Incl. VAT)

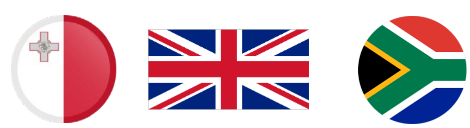
| | |
|---|---|
| Discretionary & Asset Management Fee | 2.300% |
| Platform Fee | 0.115% |
| TIC | 2.415% |
| Advice | 1.150% |

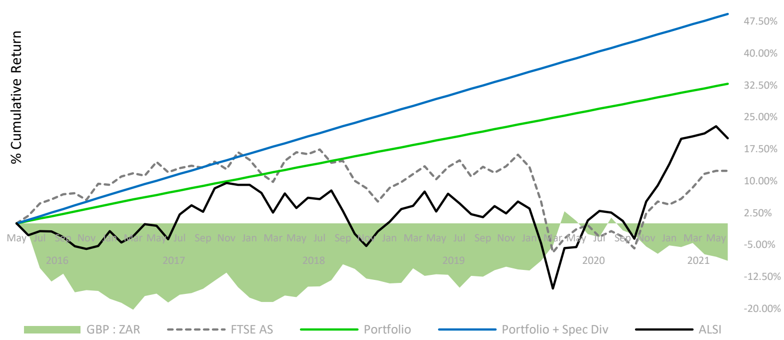
* Investor receives a 100% allocation towards their investment. NO FEES ARE DEDUCTED BY EVEREST FROM THE INVESTOR'S ACCOUNT. The above fees form part of a special fee arrangement in which fees are recovered from the surplus profits of the underlying private equity portfolio.

### Franchise Sector Allocation




### Geographic Sector Allocation







* Everest portfolio launch date: 1 May 2020 * TFC private equity portfolio launch date: 1 May 2020

* Above & below figures - backdated annualised performance figures (net of fees and taxes, at an assumed income tax rate of 31%)[annualised, on a straight-line return basis] assuming R1 invested on 01 May 2015 (excluding effects of currency)

| Returns | YTD | 1 Year | 2 Year | 3 Year | 5 Year |
|---|---|---|---|---|---|
| Benchmark (FTSE AS) | 7.20% | 12.75% | -0.44% | -1.32% | 2.11% |
| ALSI | 11.12% | 19.32% | 6.54% | 4.68% | 4.56% |
| GBP : ZAR | -1.62% | -6.29% | 1.66% | 2.03% | -1.29% |
| Portfolio | 3.20% | 6.40% | 6.40% | 6.40% | 6.45% |
| Portfolio + Spec Div | 4.00% | 8.00% | 8.00% | 8.00% | 8.07% |

## Is this solution for me?

1) Do I seek a consistent income yield, over the medium to long term, in a focused alternative asset portfolio
2) Am I ideally investing for at least 5 years
3) Am I comfortable with not having immediate access to funds
4) I want capital secured in ZAR, but want to experience returns in GBP
5) I don't wish to go through the tedious South African Reserve Bank Clearance to earn foreign returns

* These returns are not guaranteed, but it is the asset manager's opinion that they will persist under normal market and/or economic conditions


Everest Wealth (2002/004025/07) | Registered FSP: 795 CAT I & II & IIA | 3rd Floor, Building C, Westend Office Park, 250 Hall Street, Centurion, 0046
Tel: +27 87 654 8705, E-mail: info@everestwealth.co.za | Website: www.everestwealth.co.za

# Information and Disclosures

## General Information

| | |
|---|---|
| INVESTMENT PERIOD | 5 Years |
| MINIMUM INVESTMENT | R200,000.00 |
| RETURN ON INVESTMENT | Fixed & reviewable annually. Paid or Accumulative Annually |
| CURRENT TAX | Management will withhold 20% Dividend Withholding Tax on Dividends. Shares not held for 36 months may have adverse tax implications |
| SPECIAL DIVIDEND | Targeted special dividend, currently fixed at 10% in foreign currency terms |
| INVESTMENT ALLOCATION | 100% of all funds invested allocated to the subscription of shares. Fees are recouped from underlying assets within portfolio and not directly off of an investors account |
| INVESTMENT TYPE | Portfolio is constructed utilising private (unlisted) equities and securities |
| INVESTOR'S RESPONSIBILITIES | No responsibility in terms of the management or actual involvement in operation of franchise assets |
| WITHDRAWAL RIGHTS | Unlisted instruments are illiquid. Withdrawals may only be considered through the share issuer's discretion. Early withdrawal fees of up to 10% of capital may apply and notice period of up to 120 days |
| PERFORMANCE | Performance is based on returns after fees and dividend withholding tax. Past performance in the way of dividends and/or growth is in no way a guarantee of future dividends and/or growth. |
| DEATH BENEFIT (RIGHTS) | Shares are an estate dutiable asset and should be provided for in estate planning. Investments will continue for duration of investment term |
| SALE OF SHARES | The underlying share issuer(s) hold the right of 1st refusal insofar all shares |
| SECURITY | Full and/or beneficial ownership of shares is enjoyed by investors |
| COMPLAINTS PROCEDURE & CONTACT | All complaints to be addressed in writing to complaints@everestwealth.co.za |
| RETURNS | Under normal economic conditions - Returns are fixed in GBP [not guaranteed] on an annual basis [only reviewable annually]. It is the asset managers opinion that returns should remain unchanged for the investment period, under normal economic conditions |
| CAPITAL | Capital is fixed in ZAR [not guaranteed]. The Share or Capital price, as per the rights of the Preference shares, remains unchanged for the investment period, until date of redemption |
| EXCHANGE RATES | To limit the volatility on the portfolio, the average exchange rate for a period (12 months for annual returns and 5 years for full term returns) between the GBP : ZAR will be used when capitalising returns |

| Weight | Share Issuer | Instrument | 30 Day Trend | Current Price | 30 Day Move |
|---|---|---|---|---|---|
| 100.00% | the franchise co. | TFC Preference Share Class F | Fixed Share Price until Redemption | R 5,000.00 | Fixed Share Price until Redemption |

## Investment Manager

Everest Wealth Management Proprietary Limited. Everest is an authorised Financial Service Provider with registered FSP number: 795 CAT I & II & IIA.

## Standard Conflict Disclosure

Everest and the asset managers at times, whether directly or indirectly, jointly or independently, have a vested right, through shareholding, in the portfolios they manage. Therefore the re-imbursement of fees and value is directly based on the performance of underlying assets within the portfolio and is not taken off of the client's investment allocation. This allows the Everest and asset manager teams to better align themselves towards the goals of all investors, serving as the strongest motivation to improve on their business', and the portfolios, performance.

## Private Equity Asset Manager Company Information

The Franchise Co

Sinoville Corner Centre,

Cnr Braam Pretorius & Vinko Streets,

2nd Floor, Sinoville, Gauteng, 0182

Tel: 010 492 3793 + Fax: 086 667 7579

+ Email: info@everestwealth.co.za + www.everestwealth.co.za

the franchise co.

SAVCA
SOUTHERN AFRICAN VENTURE CAPITAL AND PRIVATE EQUITY ASSOCIATION

## Offshore Stockbroker & Execution Service Provider

SAXO BANK

DMA

## Listed Security Custodian

citibank

## Onshore Stockbroker

RAND MERCHANT BANK
A division of FirstRand Bank Limited

## DISCLAIMER

Everest Wealth inform all current and potential investors and users of this guide to take note of the fact that there are risks involved when entering into any investment. It is recommended that investors consult a financial adviser before making any investment into Venture Capital ("VCCs") or Private Equity ("PEs") companies. The content provided in this guide does not constitute a solicitation, guidance, proposal, invitation or investment recommendation, and prior to selecting an investment it is recommended that investors seek specialised financial, legal and/or tax advice. All information contained in the guide is subject to change without notice. Full disclosure documents can be obtained on request from Everest Wealth Management (Pty) Ltd, an authorised financial services provider (FSP 795). The Franchise Co, and its subsidiaries, are not financial service providers ("FSP") and falls under the companies Act of South-Africa (71 of 2008). Private and confidential, all rights reserved, E&OE.