What are the Fund's Objectives?

To outperform the Simonis Storm Securities Daily Bond Index over a rolling 2-year period while managing the interest rate risk in relation to modified duration.

Who should consider investing in this fund?

Investors who wish to preserve wealth and who:

- Wish to invest in Namibian fixed rates, floating rate and inflation linked bonds,
- Seeking stable level of income with the expectation of capital preservation over the medium term,
- Have a medium-term investment horizon.
- Has medium risk tolerance.

What does this fund invest in?

This fund invests in a combination of Namibian fixed rate, floating rate and inflation linked bonds. Bonds with a maturity of less than 12 months are specifically excluded.

Portfolio Risk and Information

The risk classification of this fund is "medium". The Arysteq Bond Fund is appropriate for investors that have a medium-term time horizon as well as medium risk tolerance. This fund is appropriate for investors seeking a stable level of income with the expectation of capital preservation over the medium term. Interest rate risk in the form of modified duration can result in short term volatility in the fund.

The fund provides daily liquidity for investors, except when the liquidation represents more than 1% of the overall portfolio value. In such instances the withdrawal will be managed by the portfolio manager within 3 business days. In addition to this, when the liquidation represents more than 5% of the overall portfolio value, this withdrawal will be managed by the portfolio manager within 5 business days.

The fund does not attract capital gains tax. Withholding tax on interest is applicable depending on the jurisdictions in which the underlying instruments are invested. Such withholding taxes are deducted at the fund level and no further tax implications will be applicable to the individual investor. The investor should seek professional advice with respect to tax matters related to their specific investments.

What are the costs of investing in the fund?

An annual fee of 0.75% is applied per annum. There are no performance fees.

Fund expenses, excluding asset management fees that are incurred in the fund include trading, custody, audit charges and regulatory levies. We do not charge fees to invest or withdraw from the fund.

Arysteq does not provide financial advice. If you appoint an adviser, advice fees are contracted directly between you and the adviser. For more information, please contact the relevant platform.

Unique circumstances constraints

Investors recognise that by investing in this fund the investor is taking part in the objectives and constraints of the fund, but they may not necessarily be the same as the investors' individual objectives and constraints.

As such each investor should take caution when investing and consult their financial advisor with respect to their individual investment policy needs. This fund should just serve as a building block in the overall portfolio construction.

IMPORTANT INFORMATION

Information and content

The information in and content of this publication are provided by Arysteq as general information about the company and its products and services. Arysteq does not guarantee the suitability or potential value of any information or particular investment source. The information provided is not intended to, nor does it constitute financial, tax, legal, investment or other advice. Before making any decision or taking any action regarding your finances, you should consult a qualified financial adviser. Nothing contained in this publication constitutes a solicitation, recommendation, endorsement or offer by Arysteq.

Arysteq has taken and will continue to take care that all information provided, in so far as this is under its control, is true and correct. However, Arysteq shall not be responsible for and therefore disclaims any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable, directly or indirectly, to the use of or reliance on any information provided.

Management Company

Arysteq Asset Management (Pty) Ltd ("Arysteq") is registered with NAMFISA and the investment management license number is 25/12/86. Arysteq is a wholly owned subsidiary of Lexus Securities (Pty) Ltd, a diversified financial services group that is entirely owned, managed and staffed by Namibians. Arysteq has one wholly owned subsidiary, Arysteq Unit Trust Management Ltd under which our unit trust scheme is housed. Its unit trust scheme license number is 25/9/5/26.

The custodians of the Arysteq Unit Trust Scheme are Nedbank Namibia.

Performance

Collective investment schemes in securities (unit trusts or funds) are generally medium- to long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to future performance. The Management Company does not provide any guarantee regarding the capital or the performance of the Fund. Performance figures are provided by the Investment Manager and are for lump sum investments with income distributions reinvested. Actual investor performance may differ as a result of the investment date, the date of reinvestment and applicable taxes.

Unit Price

Unit trust prices are calculated on a net asset value basis, which is the total market value of all assets in the Fund, including any income accruals and less any permissible deductions from the Fund, divided by the number of units in issue. Forward pricing is used and fund valuations take place at approximately 15:00 each business day. Purchase and redemption requests must be received by the Management Company by 10:00 each business day to receive that day's price.

Simonis Storm all Bond Index

The SSS Namibian Government Bond Index family currently consists of five bond indices as follows:

- A broad government bond index containing all the Namibian government bonds: SSS Namibian Government Bond Index (NGBI).
- short term government bond index: SSS Namibian Short Term Government Bond Index (NSTGBI); and
- A medium-term government bond index: SSS Namibian Intermediate Government Bond Index (NIGBI); and
- A long-term government bond index: SSS Namibian Long-Term Government Bond Index (NLTGBI).
- A very long-term government bond index: SSS Namibian Very Long-Term Government Bond Index (NVLTGBI).

Market-capitalisation weighting is used for all indices. Each index is rebalanced on the first business day of each month to ensure the index accurately reflects the available market supply of investable bonds. The weightings are fixed as of the last business day of the previous month, so that the portfolio as of the first business day of each month reflects all changes.

Compliance to Regulation 13

This fund is not required to be Regulation 13 compliant but is managed in compliance with the Unit Trust Control Act and its amendments.

Fund mandate

Funds may be closed to new investments at any time in order to be managed according to their mandates. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending.