The Sterling Private Client Asset Management Unit Trust Funds

STERLING
PRIVATE CLIENT
ASSET MANAGEMENT

A Merchant West Group Company

Sterling Private Client Asset Management is an authorised financial services provider. FSP: 45324.
Sterling Private Wealth is an Authorised Financial Services Provider. FSP: 32319.

At Sterling Private Client Asset Management ("Sterling"), partnerships are of the greatest importance to us. We believe that while some things are great on their own, they are even better together. This is one of our key values, where the collaboration between asset managers and advisers ensures that the most appropriate investment solutions are created with, and for, our clients.

At Sterling, we take care to provide bespoke investment solutions to our clients. Investment solutions are tailored to your unique needs, whether it is for the growth or the preservation of wealth.

We have partnered with Advantage, an investment consulting and product development business that provides investment services and bespoke product solutions to the top independent financial services businesses in South Africa. The Advantage team originates from the Investec Asset Management stable (now Ninety One) and includes technical specialists who have worked for some of the top financial services businesses in South Africa, amongst others Allan Gray, RMB, Stanlib and Stonehage Fleming.

We believe that this partnership will be of great benefit to you. We are delighted to announce the launch of our very own local unit trust fund range, an extension of our current investment offering. This new addition enhances our ability to serve you by providing access to lower fund fees over time and improved tax efficiency.

The funds have been approved by the Financial Sector Conduct Authority (FSCA), giving you the assurance of strict regulatory oversight.

With the launch of the Sterling fund range, we are opening the door to a number of exciting opportunities designed to benefit you as our valued client.

Our investment process

At the heart of our business is a single intent: to align your needs with the advice process and the implementation of tailored investment solutions.

Our process begins with defining the most appropriate client outcome and benchmark, ensuring a clear direction from the start. From there, we construct solutions with the highest potential to meet your objectives.

We take a holistic view of both your personal circumstances and the broader investment universe, enabling us to identify the most suitable opportunities. These solutions include our core model portfolio range, private share portfolios, and our unit trust funds.

The Sterling funds are proactively managed by an experienced investment committee made up of specialists with proven track records. Advantage serves as an independent member of this committee, providing guidance on Sterling's overall investment strategy as well as monitoring the portfolios on a daily basis. We believe the combination of skills and perspectives within the committee creates a strong, dynamic advantage for our clients.

Each Sterling fund undergoes rigorous qualitative and quantitative analysis, ensuring the careful selection of high-quality underlying funds and other securities within the portfolio. The investment process is designed to provide investors with technically constructed, risk-profiled balanced portfolios that are both robust and dynamic, adapting seamlessly to changes in market cycles.

Each fund has a pre-determined strategic asset allocation, which is continuously monitored to ensure the fund remains aligned with its risk profile. In addition, the investment committee actively monitors the macro-economic environment to assess whether tactical asset allocation adjustments are necessary.

Portfolio management

At Sterling we've created our own carefully constructed funds to give clients direct access to the same disciplined investment approach that guides our portfolio management. The launch of the Sterling Private Client Asset Management Ci Diversified Growth Fund and the Sterling Private Client Asset Management Ci Global Flexible Feeder Fund reflects our commitment to delivering efficient, transparent, and tax-effective investment solutions designed to meet our clients' longterm objectives.

Broader investment access
Through our unitised fund structure, investors gain direct exposure to a diversified blend of local and global equities, bonds, and passive ETFs - beyond what is typically available through traditional multi-fund portfolios (or model portfolios).

Access to leading global managers
By investing in the feeder fund, investors gain exposure to world-class offshore asset managers not normally accessible to South African investors.

Seamless execution and efficiency
By housing our investment strategy within a single fund structure, Sterling ensures swift and efficient implementation of portfolio decisions. This eliminates delays often associated with switching between multiple external managers, allowing investors to benefit from timely positioning and smoother portfolio management.

Together, these funds provide investors with institutional-quality portfolio management and efficient access to global markets within a trusted and transparent structure.

Sterling Private Client Asset Management Ci Diversified Growth Fund

The investment objective of the portfolio is to deliver long-term capital growth. The portfolio maintains a moderate to high risk profile and the portfolio's equity exposure will be limited to a maximum of 75% of the portfolio's net asset value. The portfolio will comply with prudential investment guidelines to the extent allowed by the Act. The fund may from time to time invest in listed and unlisted derivatives, in order to achieve the portfolio's investment objective.

Sterling Private Client Asset Management Ci Global Flexible Feeder Fund

The investment objective of the portfolio is to provide long-term capital growth, by providing investors with exposure to an international collective investment scheme portfolio comprising of a diversified mix of global exposure to various asset classes. The portfolio may, through the Sterling Wealth Global Flexible Fund, gain global exposure to equities, property, bonds, cash, and offshore funds. The portfolio may use derivatives solely for the purpose of hedging exchange rate risk to which it has direct exposure.

Target fund construction for the Diversified Growth Fund

Global Equity

In the current global economic environment, we believe a value-style core equity holding is most appropriate. The fund aims to hold two global value equity managers - Artisan and Dodge & Cox - complemented by cost-efficient global market exposure through an ETF.

Artisan Global Value

A concentrated fund seeking companies that are undervalued, of high quality, financially strong, and have shareholder-oriented management. The Artisan Global Value team is a specialist boutique within Artisan Partners, managed by two experienced portfolio managers. The fund typically holds between 30 and 50 stocks and includes selective emerging market exposure. It maintains a high active share and exhibits a defensive profile, offering consistency of returns with shallower drawdowns compared to peers.

Dodge & Cox Global Stock

A broad, research-driven global equity fund benchmarked to the MSCI ACWI, though index-agnostic in its construction. Dodge & Cox invests in companies where current valuations understate long-term profit potential, reflecting its deep-rooted value investing philosophy that prioritises price as the key driver of future returns. Its collaborative, team-based approach and depth of fundamental research make it one of the most respected global value managers.

Role in the fund:
The Artisan and Dodge & Cox funds complement each other - Artisan's quality focus and Dodge & Cox's valuation discipline create a balanced, defensive blend. This style diversification enhances predictability and contributes to consistent portfolio performance. We also include pragmatic equity managers to complement our core value holdings.

iShares MSCI World ETF

Provides broad exposure to developed market equities in a cost-efficient manner.

Role in the fund:
The ETF offers global developed market access while helping to manage overall portfolio costs.

Global Flexible asset allocation

The Sterling Wealth Global Flexible Fund serves as the portfolio's sole global multi-asset manager, accessed through a preferential fee class for local investors.

Role in the fund:
The fund introduces a diversified mix of global assets, allowing the investment committee's global views to seamlessly integrate across the local fund range.

Local fixed income exposure

Direct Basket of SA Government Bonds
Instead of using ETFs to track the All Bond Index, our fixed income team directly purchases South African government bonds, closely matching the ALBI's duration while optimising for yield and duration as opportunities arise. The low execution cost benefits our investors.

Ci Diversified Income Fund
A cash and credit alternative within the fixed income space, maintaining a 1-year duration limit to reduce risk relative to peers in the SA multi-asset income category. The fund offers strong liquidity and competitive institutional pricing, aiming for consistent, peer-relative returns.

Role in the fund:
This allocation introduces stability and defensiveness, offsetting the inherent volatility of value-style equity investments in the growth component of the portfolio.

Local equity exposure

When constructing the local equity allocation, cost efficiency is a key consideration. Accordingly, we have incorporated low-cost passive equity strategies as a foundation, complemented by selective active management.

Ci Equity Fund
Aims to track the FTSE JSE All Share Index, providing high liquidity and competitive institutional pricing.

SA ALSI Futures
Used at launch to provide flexible, low-cost exposure to the total return of the index.

Role in the fund:
Low-cost passive exposure serves as a performance anchor, supporting peer-relative returns in an environment where many active managers have struggled to outperform.

Prescient Equity Fund
Uses a systematic, data-driven approach that models thousands of random portfolios based on local equity indices and cash weights. The strategy seeks to outperform local equity peers over time and introduce portable alpha through disciplined portfolio construction.

36One BCI SA Equity Fund
A style-agnostic, fundamentally driven strategy benchmarked to the Capped SWIX. The team conducts in-depth bottom-up research, engaging with industry participants to understand company dynamics, profitability, and competitive positioning.

Their risk-aware process, combined with continuous monitoring and selective macro insights, supports strong long-term outcomes.

Role in the fund:
Prescient and 36One employ distinct, complementary strategies that should blend effectively over time. The initial allocation to 36One will be modest, reflecting its strong recent performance, with scope for increased exposure as new opportunities arise.

Note: For target fund construction details on the Sterling Private Client Asset Management Ci Global Flexible Feeder Fund, please refer to the Sterling Wealth Global Flexible Fund brochure.

The benefits of investing in the Sterling Unit Tust Fund Range

Flexibility

Sterling is not limited to the availability of funds or securities on any single administrative platform. Even in cases where certain funds are closed to the broader public, our structure allows access to most securities as well as leading funds both in South Africa and offshore.

Liquidity

By investing in a unit trust fund, you enjoy access to your capital with ease. Under normal circumstances, you are able to switch out of your investment portfolio within 2–5 business days, ensuring both convenience and peace of mind.

Tax efficiency

Capital Gains Tax (CGT) often challenges investment managers without access to tax-efficient vehicles. To avoid triggering CGT, some may delay necessary portfolio changes, which can compromise investors' long-term interests. Switching into the Sterling funds may trigger a CGT event; however, once invested, no further CGT applies until redemption or switching to another unit trust fund. With potential CGT increases in future, Sterling funds let you remain unaffected by underlying portfolio changes, giving you greater control over your tax affairs. Note: CGT is not levied within certain products and currently only applies to voluntary products.

Cost efficiency

The Sterling fund range has been carefully structured to deliver meaningful cost benefits without compromising quality. By accessing Ci's institutional building blocks - including select passive strategies - we unlock investment opportunities not directly available to individual investors, while providing competitive access to top managers including building blocks such as Coronation, Ninety One, and Fairtree. Our partnership with Advantage brings scale benefits, granting access to lower fee classes across a broad range of unit trust funds. This ensures the overall cost impact for investors is kept as low as possible. With ongoing oversight of all fees, our investment committee carefully balances performance and cost, delivering solutions that remain efficient, competitive, and aligned with our clients' best interests.

Transparency
As part of our strategy, we prioritise full transparency of all costs associated with your investment. The Sterling funds have been designed to clearly disclose the total costs inherent in the structure, as illustrated on the fee page.

Compliance
The Sterling funds are approved and regulated by the Financial Sector Conduct Authority (FSCA), and are strictly governed under the Collective Investment Schemes Control Act.

Daily pricing
The Sterling funds are priced daily, allowing you to monitor portfolio performance with ease.

Switching between portfolios and asset classes
The Sterling funds enable the investment manager to efficiently switch between portfolios and asset classes when necessary.

Administration
The Sterling funds are hosted and administered by Ci Collective Investments (RF) (Pty) Ltd ("Ci"), which is approved by the Financial Sector Conduct Authority as a manager under the Collective Investment Schemes Control Act.

We are pleased to confirm that the administration of the Sterling funds has been outsourced to two of the country's leading third-party administrators:

- FNZ – a subsidiary of the FNZ Group
- SS&C Administration Services SA (previously known as Curo Fund Services) - a subsidiary of SS&C Technologies Holdings, Inc

Through this approach, we are confident that your investment will be administered efficiently, securely, and to the highest standards.

Sterling and Advantage annual fees:

When you invest into the Sterling funds, certain fees are deducted directly within the unit trust before distributions are declared. This has the advantage of not triggering a CGT event in respect of these deductions.

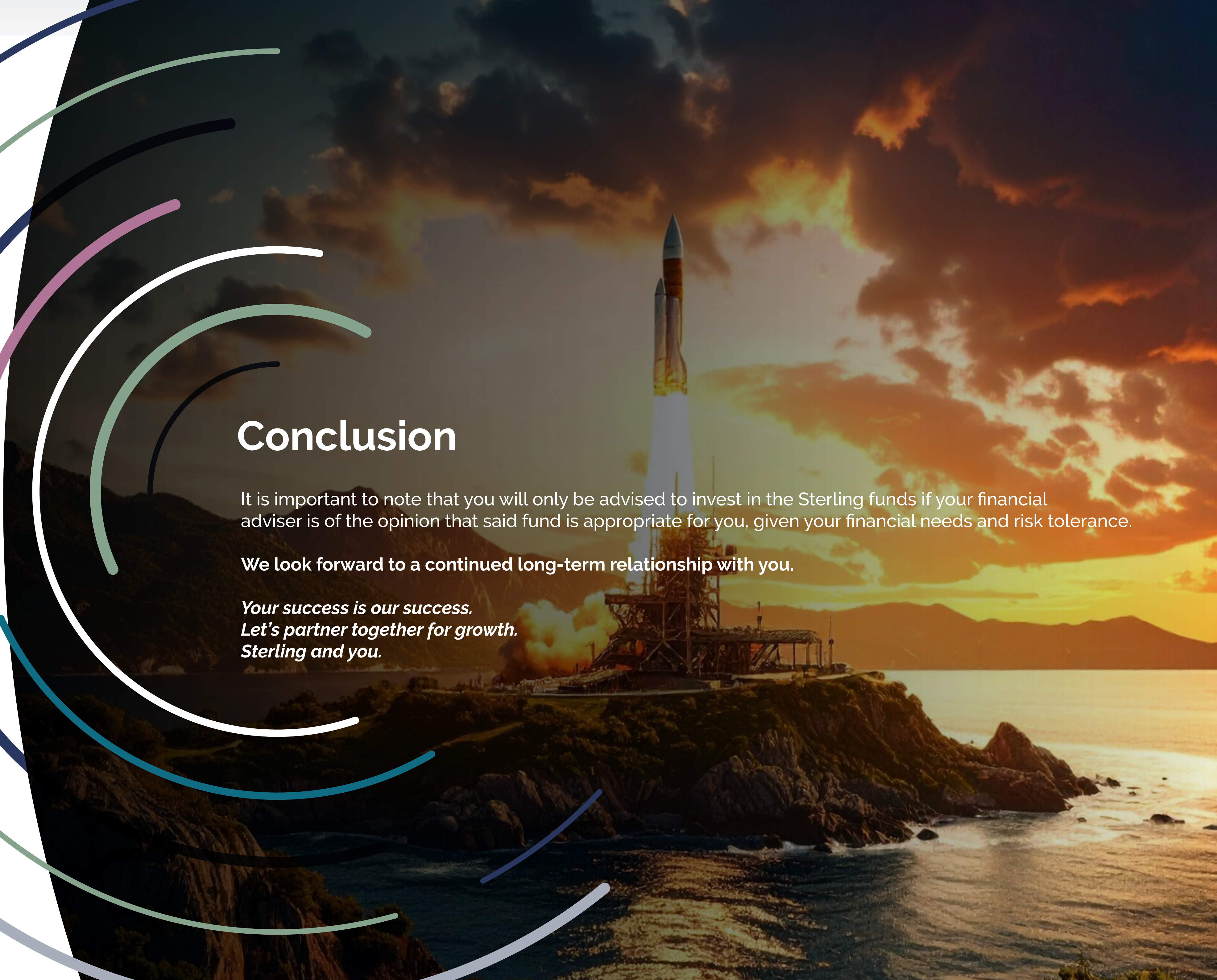
The following represent the maximum mandated fees that may apply to your investment in the Sterling funds:

Investment through a linked investment services provider (LISP):				
	Sterling Private Client Asset Management Ci Diversified Growth Fund B		**Sterling Private Client Asset Management Ci Global Flexible Feeder Fund B**	
Fee Component	Initial Fee	Maximum Annual Fee	Initial Fee	Maximum Annual Fee
Sterling annual management fee	0%	Up to 0.46%	0%	N/A
Advantage consulting fee	N/A	Up to 0.46%	N/A	N/A
Ci Manco fee	N/A	0.17%	N/A	0.17%
Annual Service Fee		1.09%		0.17%
TIC Estimates*	B class	1.15%	B class	1.24%

Fees are inclusive of VAT and exclusive of LISP administration fees.

** This TIC is an estimate based on the launch portfolio composition and information available. The TIC is subject to change and the latest TIC is published in the monthly Minimum Disclosure Document ("MDD") of each Fund. For more information on the TIC, please refer to the disclaimer at the end of this document.*

Sterling may, from time to time, invest in other top-tier unit trust funds. While this may increase the total cost of your investment, such decisions will only be made where they enhance the overall portfolio construction. Over time, we expect the total cost you are exposed to will reduce.



Conclusion

It is important to note that you will only be advised to invest in the Sterling funds if your financial adviser is of the opinion that said fund is appropriate for you, given your financial needs and risk tolerance.

We look forward to a continued long-term relationship with you.

Your success is our success.
Let's partner together for growth.
Sterling and you.

Disclaimer

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Collective Investment Schemes in Securities "(CIS)" are generally medium to long-term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending. Different classes of units apply to the portfolio and are subject to different fees and charges. A schedule of fees and charges and maximum commissions is available on request from Ci. Ci does not provide any guarantee either with respect to the capital or the return of the portfolio. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. International Investments may include additional risks such as potential constraints on liquidity and repatriation of funds, macroeconomic risk, political risk, foreign exchange risk, tax risk, settlement risk as well as potential limitations on the availability of market information. The portfolio may be closed from time to time in order to manage it more efficiently in accordance with its mandate. A Feeder Fund is a portfolio that invests in a single portfolio of a collective investment scheme, which levies its own charge, which could result in a higher fee structure for the Feeder Fund. A FX fee of up to 0.05% (incl. VAT) on any FX transactions may be payable to Sterling Private Client Asset Management in addition to the annual fees referred to above. The portfolios are established and administered by Ci, and Sterling Private Client Asset Management has been appointed to manage and market the portfolios. Ci retains full legal responsibility for the co-named portfolio. Additional information on the portfolio may be obtained, free of charge, directly from Ci. Ci is a non-voting (ordinary) member of the Association for Savings & Investment SA (ASISA).

Total Investment Charge (TIC) is the sum of the Total Expense Ratio (TER) and Transaction Cost (TC), indicating the % of the value of the Fund which was incurred as costs relating to the investment of the Fund. TER indicates the % of the value of the Fund which was incurred as expenses relating to the administration of the Fund. 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. TC indicates the % of the value of the Fund which was incurred as costs relating to the buying and selling of the assets underlying the Fund. Transaction Costs are a necessary cost in administering the portfolio and impacts portfolio 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 portfolio, investment decisions of the investment manager and the TER. TER and TC are determined over a rolling 3 year period or since fund inception, on an annualised basis. The TIC, TER and TC cannot be determined accurately because of the short life span of the Fund. Calculations are based on actual data where possible, otherwise on best estimates.

Company/scheme:
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Trustee:
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