

## CITADEL SA MONEY MARKET H4 FUND B1

### INVESTMENT OBJECTIVE & POLICY

The Citadel SA Money Market H4 Fund is a specialist interest bearing portfolio delivering stable capital values and income commensurate with cash returns. The primary objective of the portfolio is to obtain as high a level of current income as is consistent with capital preservation and liquidity. Capital gains will be incidental in nature.

The portfolio will comprise of money market instruments and may invest in financial derivatives where the inclusion of such instruments is utilised for the purpose of efficient portfolio management only.

### FUND INFORMATION

|                                   |                                       |
|-----------------------------------|---------------------------------------|
| MDD Issue Date                    | 14/06/2024                            |
| Portfolio Managers                | George Herman, Vincent Masoloke       |
| Benchmark                         | STeFI 3 Month NCD ZAR                 |
| Fund Classification               | (ASISA) South African IB Money Market |
| ISIN                              | ZAE000031530                          |
| Launch Date                       | 01/09/2013                            |
| Base Currency                     | South African Rand                    |
| Domicile                          | South Africa                          |
| Initial/Exit Fee                  | 0.00%                                 |
| Annual Management Fee (ex VAT)    | 0.45%                                 |
| Valuation Time (daily)            | 17:00                                 |
| Transaction Cut Off Time (daily)  | 11:00                                 |
| NAV per Participatory Interest    | R 1.00                                |
| Number of Participatory Interests | 405 030 466.79                        |

### ASSET ALLOCATION (MARKET VALUE, LOOK THROUGH)

|                                    |      |
|------------------------------------|------|
| SA Cash & Money Market Instruments | 100% |
|------------------------------------|------|

### TOP 5 ISSUERS

|                     |       |
|---------------------|-------|
| Nedbank Limited     | 24.6% |
| SA Govt Bonds       | 24.5% |
| FirstRand Bank      | 21.0% |
| Standard Bank of SA | 11.1% |
| Investec Bank       | 5.6%  |

### RISK REWARD PROFILE



This portfolio invests in South African money market instruments with an investment grade rating and an investment term of no more than 13 months. These instruments are typically issued by banks, parastatals and the South African government. This portfolio is not a risk-free investment. The risk rating is calculated using the standard deviation of the portfolio over the last 5 years, or since inception, using weekly data points, and may be subject to change. This portfolio could be affected by adverse changes in macroeconomic and interest rate conditions, as well as in the credit worthiness of the money market instrument issuers. There is currently no exposure to derivative instruments in any form, nor to leverage of any kind.

### DISTRIBUTIONS OVER THE LAST 12 MONTHS

| Distribution Dates | Monthly  |
|--------------------|----------|
| 2023-06            | R 0.6787 |
| 2023-07            | R 0.7097 |
| 2023-08            | R 0.7134 |
| 2023-09            | R 0.6934 |
| 2023-10            | R 0.7157 |
| 2023-11            | R 0.6960 |
| 2023-12            | R 0.7140 |
| 2024-01            | R 0.7151 |
| 2024-02            | R 0.6674 |
| 2024-03            | R 0.7089 |
| 2024-04            | R 0.6799 |
| 2024-05            | R 0.7095 |

### FUND & SHARE CLASS SIZE

|                            |          |
|----------------------------|----------|
| Fund Size (million)        | R 541.60 |
| Share Class Size (million) | R 405.03 |

### HIGHEST/LOWEST ANNUAL RETURN

| HIGHEST         | LOWEST          |
|-----------------|-----------------|
| Date 31/05/2024 | Date 30/09/2021 |
| Fund 8.7%       | Fund 3.8%       |
| Benchmark 8.3%  | Benchmark 3.5%  |

Calculated as a 12 month rolling performance figure using month-end values over a 10-year rolling period. The benchmark performances shown above are an illustration of its own performance for the periods shown for the fund. This is not a reflection of the benchmark's own highest or lowest annual return.

### EFFECTIVE DERIVATIVE EXPOSURE

|                                   |     |
|-----------------------------------|-----|
| Currency Derivatives              | Nil |
| Fixed Interest Derivatives        | Nil |
| SA Cash Margin a/c (as % of fund) | Nil |

Effective derivative exposure is on a non look through basis

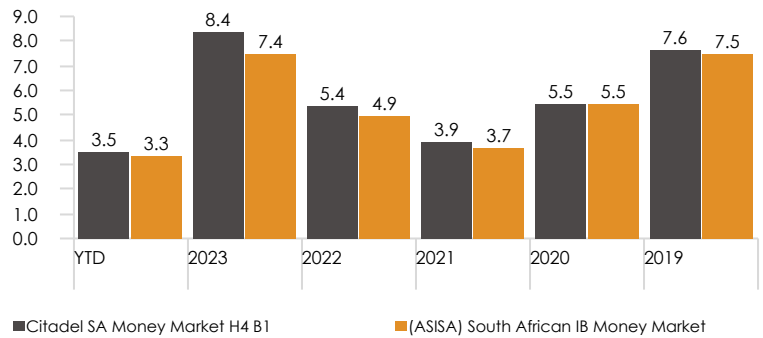
## CITADEL SA MONEY MARKET H4 FUND B1

### FUND PERFORMANCE (%)

|                 | Fund | Benchmark |
|-----------------|------|-----------|
| YTD             | 3.5% | 3.4%      |
| 1 Year          | 8.7% | 8.3%      |
| 3 Years (ann.)  | 6.5% | 6.1%      |
| 5 Years (ann.)  | 6.2% | 5.7%      |
| 10 Years (ann.) | 6.7% | 6.2%      |

The table above reflects the actual percentage performance of the fund and notional performance of the benchmark, based on a lump sum contribution on the launch date of the fund. Performance of both the fund and the benchmark is annualised over periods longer than one year. Performance is shown net of all fund charges and expenses and includes the reinvestment of distributions

### CALENDAR YEAR PERFORMANCE (% PEER GROUP AVERAGE)



### MONTHLY PERFORMANCE (AFTER FEES)

|      | Jan  | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sep  | Oct  | Nov  | Dec  | YTD  |
|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| 2024 | 0.7% | 0.7% | 0.7% | 0.7% | 0.7% |      |      |      |      |      |      |      | 3.5% |
| 2023 | 0.6% | 0.6% | 0.6% | 0.6% | 0.7% | 0.7% | 0.7% | 0.7% | 0.7% | 0.7% | 0.7% | 0.7% | 8.3% |
| 2022 | 0.3% | 0.3% | 0.4% | 0.4% | 0.4% | 0.4% | 0.4% | 0.5% | 0.5% | 0.5% | 0.5% | 0.6% | 5.4% |
| 2021 | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 3.9% |
| 2020 | 0.6% | 0.6% | 0.6% | 0.6% | 0.5% | 0.5% | 0.4% | 0.4% | 0.3% | 0.3% | 0.3% | 0.3% | 5.5% |
| 2019 | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% | 7.6% |

### RISK STATISTICS OVER 5 YEARS

|                                 | Fund   | Peer Group Avg |
|---------------------------------|--------|----------------|
| Standard Deviation (annualised) | 0.5%   | 0.5%           |
| Sharpe Ratio (annualised)       | 1.03   | 0.32           |
| Maximum Drawdown                | —      | —              |
| Positive Months (%)             | 100.0% | 100.0%         |

Standard Deviation: statistical measurement of the dispersion of fund returns relative to its own average return over the measured period.

Sharpe Ratio: a measure of how much risk a fund had to bear to earn excess return over the risk-free rate. The higher the Sharpe Ratio, the better the fund's historical risk-adjusted return.

Maximum Drawdown: the fund's maximum peak to trough decline during the measured period, as a percentage.

Positive Months: the number of months the fund delivered a positive return during the measured period, as a percentage.

### TOTAL INVESTMENT CHARGES 01/04/2021 - 31/03/2024

Three year annualised as per ASISA Standard

Total Expense Ratio (TER) 0.56%

of the value of the fund was incurred as expenses relating to the administration of the fund. No performance fees are charged

Transaction Costs (TC) 0.00%

of the value of the fund was incurred as costs relating to the buying and selling of the assets underlying the fund

Total Investment Charges (TER+TC) 0.56%

of the value of the fund was incurred as costs relating to the investments of the fund

TER FY-End (31/03/2024) 0.57%

of the value of the fund was incurred as expenses relating to the administration of the fund over one year, as at financial year-end, as per Board Notice 92 of 2014

### FUND COMMENTARY

South African government bond yields fell in May (i.e. prices rose), taking their cue from generally positive global risk sentiment, as well as a lower SA-specific risk premium as election polls pointed to a more business friendly outcome. However, this was tested on the last day of the month as early results showed a much weaker ANC vote in lieu of higher support for the MK party. The South African Reserve Bank's MPC (Monetary Policy Committee) left short-term interest rates unchanged and struck a less hawkish tone than previously.

The Citadel SA Money Market H4 Fund ('the fund') was up 0.7% in May, in line with its benchmark. The fund remains biased towards floating and variable rate assets linked to three-month Jibar. The portfolio is largely exposed to bank paper, with the remainder in corporate, government and a very small exposure in parastatal paper. The manager's view is that the fund remains conservatively positioned in terms of both liquidity and credit risk; given the current uncertain economic climate.

## CITADEL SA MONEY MARKET H4 FUND B1

### INFORMATION & DISCLOSURES

#### About the manager, trustee, and scheme

This portfolio was established by H4 Collective Investments (RF) (Pty) Ltd, registration number 2002/009140/07 ("the manager") of The Citadel, 15 Cavendish Street, Claremont, 7708 (telephone +27 21 670 9100) as part of the H4 Collective Investments Scheme ("the scheme"). The trustee of the scheme is the Standard Bank of South Africa Limited of 9th Floor, Standard Bank Centre, 5 Simmonds Street, Johannesburg, 2001 (telephone +27 11 636 9111/2).

#### About the investment manager

The manager has appointed Citadel Investment Services Proprietary Limited, registration number 1996/006847/07 ("Citadel"), as the investment manager of the portfolio. Citadel is licensed as a financial services provider in terms of the Financial Advisory and Intermediary Services Act, 2002. Citadel Asset Management is the asset management division of Citadel.

#### Risk warning

The risk and return profile of a fund illustrates the amount of risk undertaken by an investor in the hope of achieving a particular return on an investment. The generally accepted principle is that potential return rises with an increase in risk. The risk and return profile on the face of this document is based on the historical performance of the fund. In addition to the risk warnings included elsewhere in this document, it is important to note that there are many other risks associated with investing in collective investments. These can include but are not limited to the following: general market risks (such as general movements in interest rates; external factors [war, natural disasters and such like]; changes to the law and regulatory frameworks; governmental policy changes; global, regional or national economic developments), risks related to a specific security (like the possibility of a company's credit rating being downgraded); and loss in the purchasing power of an investment as a result of an increase in the price of consumer goods (known as inflationary risks). Some of the portfolios may invest in foreign securities. There are potential material risks associated with investing in foreign securities. These include but are not limited to: potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political and social instability, foreign exchange risks, tax risks, settlement risks and potential limitations on the availability of market information, all of which may have an impact on fund performance. In addition, risks associated with investing in emerging markets (which are generally less mature than those in developed markets) include but are not limited to currency risks, the possibility of expropriation, confiscatory taxation or nationalisation of assets and the establishment of foreign exchange controls which may include the suspension of the ability to transfer currency from a given country.

#### Derivatives

If this portfolio has exposure to derivatives, this fact and the level of effective exposure will be specified within this document. Where this portfolio invests in other portfolios which use derivatives, those underlying derivative exposures will not be contained in this document. Derivatives derive their value from the value of an underlying asset. Investing in derivatives involves risk because depending on how the derivative is structured, the portfolio's losses or gains may be unlimited. To prevent this, the portfolio's derivative positions must be "covered" at all times. This means that the portfolio must always hold the underlying asset on which the derivative is based or have sufficient cash or "margin" to deliver if the portfolio's derivative positions move against it. If derivatives are used in this portfolio, the cash/cash equivalent shown in the asset allocation section includes the portion allocated to "margin" for covering derivative positions and such portion of cash/cash equivalent is therefore not available for use by the manager. Other asset classes shown in the asset allocation section represent the market value of those assets and must be read together with the derivative holdings disclosure. The use of derivatives in collective investment schemes is governed by regulation. Derivatives can be used only for efficiency in portfolio management, for increasing a portfolio's yield, or to protect the portfolio against losses if the value of the shares or instruments invested in, or the market, falls. They may not be used for speculating or for enhancing the return of the portfolio by using gearing. The most common derivatives are options (puts and calls) and futures.

#### Total Expense Ratio (TER) and Transaction Costs

The current TER may not necessarily be an accurate indication of future TERs. The TER does not include Transaction Costs, which are shown separately. Transaction Costs are a necessary cost in administering the fund and impacts fund 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.

#### General disclosures

This document is the minimum disclosure document required by Board Notice 92 of 2014 published by the Financial Sector Conduct Authority under the Collective Investment Schemes Control Act 45 of 2002. This portfolio was established for a specific group of investors and may not be available for direct investment by the general public. Collective investment schemes are generally medium to long-term investments. The value of participatory interests or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commission is available on request from the manager. Neither the manager nor Citadel provides any guarantee either with respect to the capital or the return of the portfolio. The manager has the right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate. Where any forecasts or commentary about the expected future performance of asset classes or the market in general are made in this document, please note that neither Citadel nor H4 guarantee that such forecasts or commentary will occur. Where this portfolio invests into portfolios of other collective investment schemes ("underlying portfolios"), delays in reporting by such underlying portfolios may impact on the accuracy of the asset allocation and country/sector allocation disclosures.

#### Performance disclosures

The performance calculated and shown is that of the portfolio. Individual investor performances may differ as a result of initial fees (if applicable), the actual investment date, the date of reinvestment and dividend withholding tax. Where periods of longer than one year are used in calculating past performance, certain figures may be annualised. Annualisation is the conversion of a rate of any length of time into a rate that is reflected on an annual basis. Actual annual figures and performance calculations are available upon request. All since inception performance returns are calculated from the launch date of the portfolio.

#### Disclosures in respect of the Citadel SA Money Market H4 Fund, the Citadel SA Bond H4 Fund, the Citadel Global Equity H4 Fund of Funds and the Citadel Balanced H4 Fund

These funds were originally established under the Sanlam Collective Investments Scheme (SCI) under the names CAM Fortis Institutional Fund, CAM Universum Institutional Fund, CAM Ascendo Fund of Funds and CAM Balanced Fund, respectively. These funds were all established under the H4 Collective Investments Scheme on 29 April 2013 and amalgamated with their respective SCI counterparts on 28 August 2013. The amalgamated portfolios continued under their current names under the H4 Collective Investments Scheme. On amalgamation, the Citadel SA Money Market H4 Fund did not retain the performance history of the CAM Fortis Institutional Fund.

## CITADEL SA MONEY MARKET H4 FUND B1

### Disclosures in respect of the Citadel SA Money Market H4 Fund only

A money market portfolio is not a bank deposit account. The price of participatory interests is targeted at a constant value. The total return to the investor is made up of interest received and any gain or loss made on any particular investment, and in most cases the return will merely have the effect of increasing or decreasing the daily yield, but in the case of abnormal losses it can have the effect of reducing the capital value of the portfolio. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures – in such circumstances a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. The yield is calculated monthly using historical figures and is annualised.

### Disclosures in respect of the Citadel Global Equity H4 Fund of Funds

A fund of funds portfolio invests in portfolios of collective investment schemes that levy their own charges, which could result in a higher fee structure for the fund of funds.

### Disclosures in respect of the Citadel SA Money Market H4 Fund, the Citadel SA Bond H4 Fund and the Citadel SA Income H4 Fund

The yield is historic and is calculated as at the date stipulated on the face of this document.

### Disclosures in respect of third party-named portfolios

A third party-named portfolio bears the name of both the manager and the investment manager. Where this portfolio is a third party-named portfolio, the manager retains full legal responsibility for the third party-named portfolio.

### Calculation of the NAV and price

The value of participatory interests is calculated on a NAV basis. The NAV is the total value of all assets in the portfolio including any income accruals and less any deductible expenses (which may include audit fees, brokerage, service fees, securities transfer tax and bank charges). The price of participatory interests is calculated by dividing the NAV by the number of participatory interests in issue. Prices are published daily in local newspapers. The portfolio is available via certain LSPs, who levy their own fees. Investors in this portfolio may thus be liable for an initial fee and/or annual service fee levied by the third-party administrator that is not reflected in the initial charge (where applicable) or NAV calculation.

### Limitation of liability

This document has been compiled for information purposes only and does not consider the needs or circumstances of any person or constitute advice of any kind. It is not an offer to sell or an invitation to invest. The information and opinions in this document have been recorded by Citadel and the manager in good faith from sources believed to be reliable, but no representation or warranty, express or implied, is made as to their accuracy, completeness, or correctness. Citadel and the manager accordingly accept no liability whatsoever for any direct, indirect, or consequential loss arising from the use of this document or its contents.

### Complaints process

Any complaint must be set out in writing and include all relevant information and documents in the complainant's possession. The complaint must be addressed to the manager's compliance officer and posted or hand-delivered to the manager's physical address above or sent by email to [info@H4CI.co.za](mailto:info@H4CI.co.za). The complaint will be investigated internally, and the complainant will be advised of the outcome of the complaint.

### Additional information

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