



Explore Rich New Markets

2017

FMG AFRICA FUND

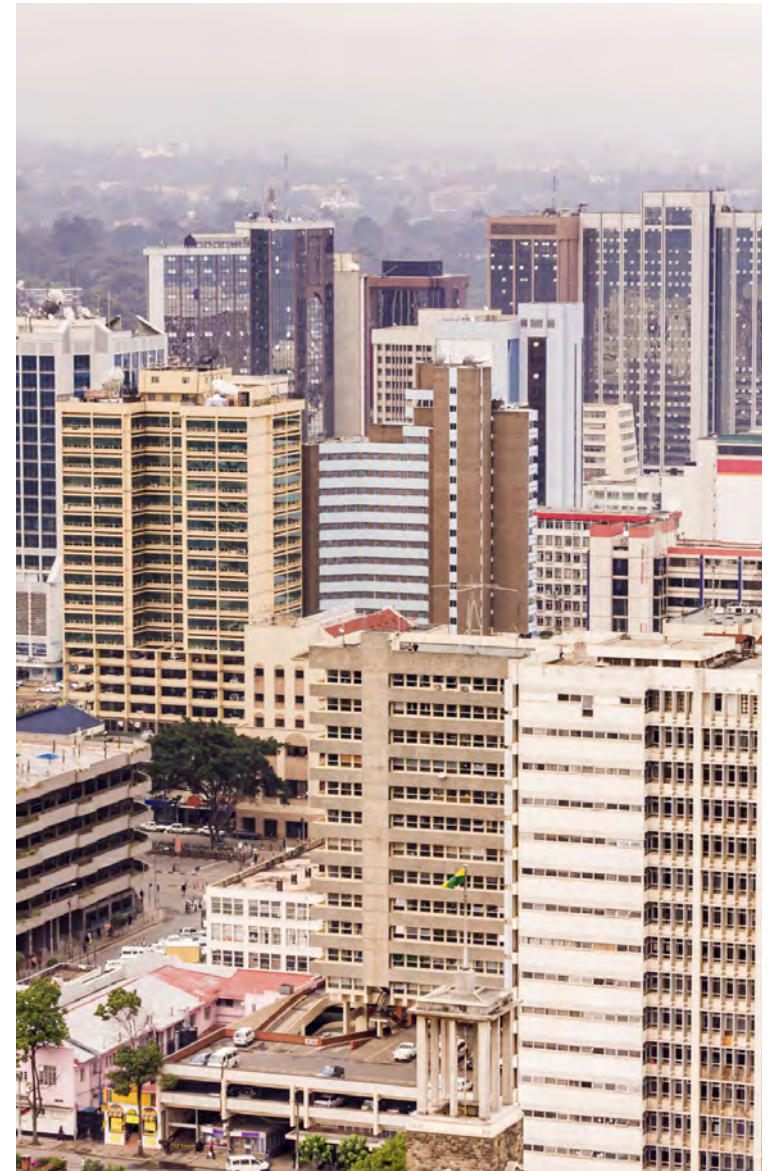


The African Opportunity

- Increasing political stability and better managed economies;
- An estimated 1.1 bn Africans of working age by 2040;
- Stock markets are at an early stage of development;
- Annualized GDP growth forecast to be 6% over next decade;
- Includes several of the world's fastest growing economies;
- Abundant and under-developed natural resources.

“Sub-Saharan Africa’s stock markets are valued at only 50% of ExxonMobil’s market capitalization”

Source: African Development Bank, IMF, Bloomberg, The Economist, McKinsey Global Institute, CIA World Factbook





Geography and Demography

- Africa consists of 54 countries with a young and fast growing population;
- Median age is 20 compared with 30 in Asia and 40 in Europe;
- Africa has a larger work force relative to many developed and emerging economies;
- Urbanisation is a pronounced demographic trend and Africa has over 50 cities with populations exceeding 1 mn.

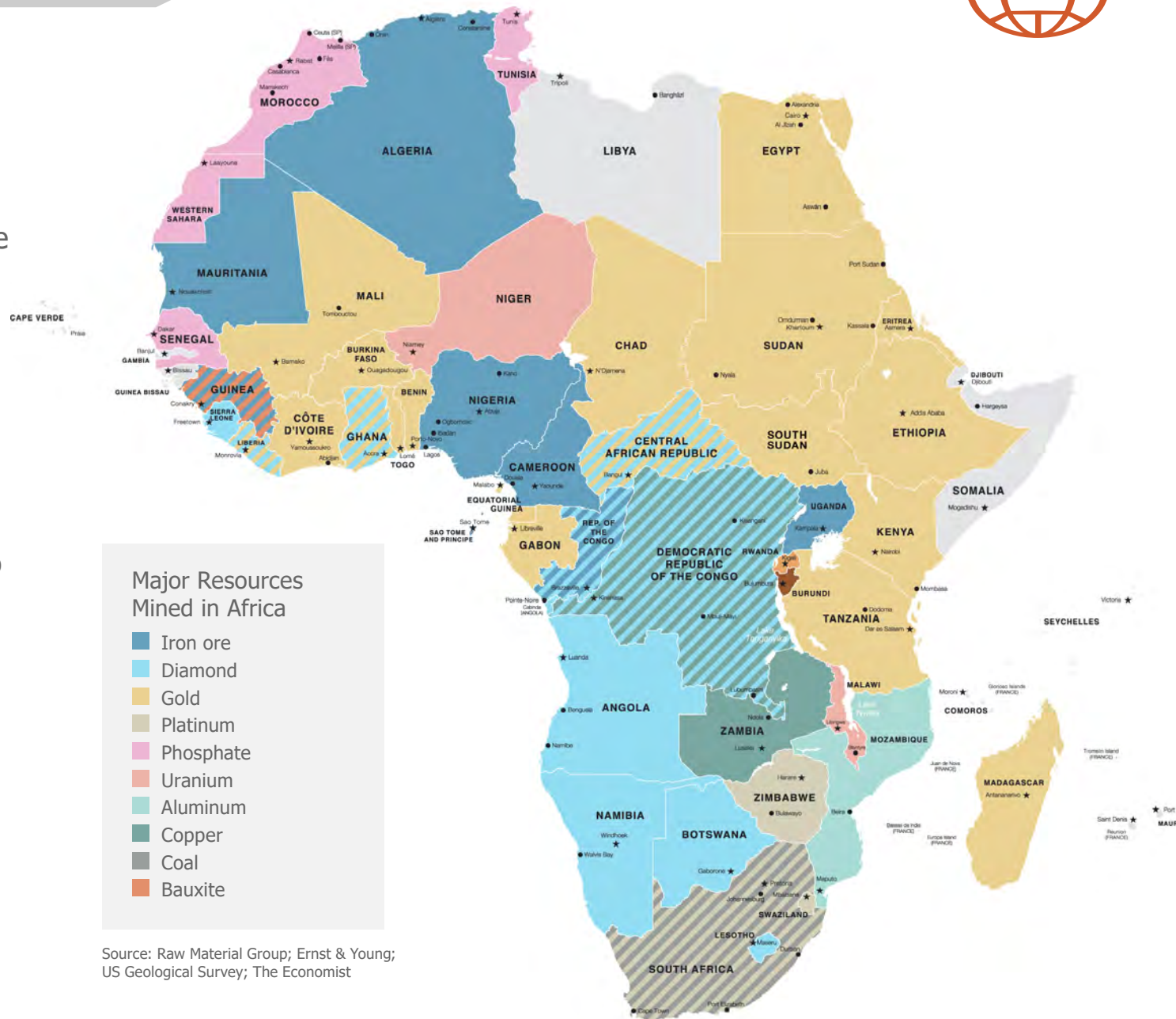


Source: Ayittey, George B.N. Africa Betrayed, 1993, Palgrave Macmillan , ISBN: 0312104006



Fundamentals

- Africa is enriched by an abundance of commodities;
- Holds 60% of the world's total uncultivated arable land;
- A young and growing population;
- Governments have worked hard to end internal and external conflicts and create stability;
- Improved governance and democracy are on the rise;
- Major steps forward in education, health and technology.



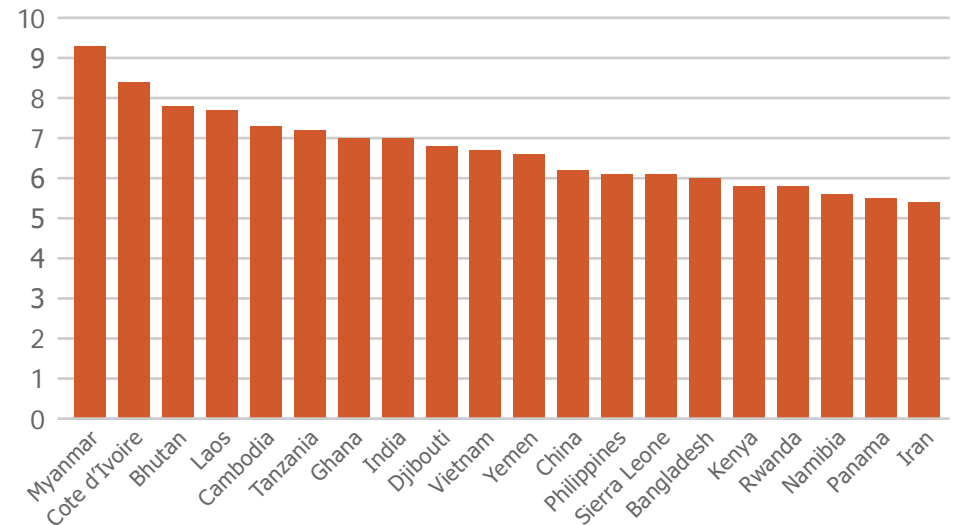
Source: Academic Centre for Education Development



Economy

- Over the past two decades economic growth has exceeded population growth resulting in increased wealth creation;
- Economic reforms are taking place, pushing growth higher;
- Growth is supported by a very favourable demographic profile;
- Most countries have manageable inflation rates;
- African countries have reduced debt and fiscal deficits;
- The continent showed strong resilience to the global economic financial crisis.

World's fastest growing countries in 2017
(real GDP, %)



Note: November 2016 forecasts Source: Economist Intelligence Unit

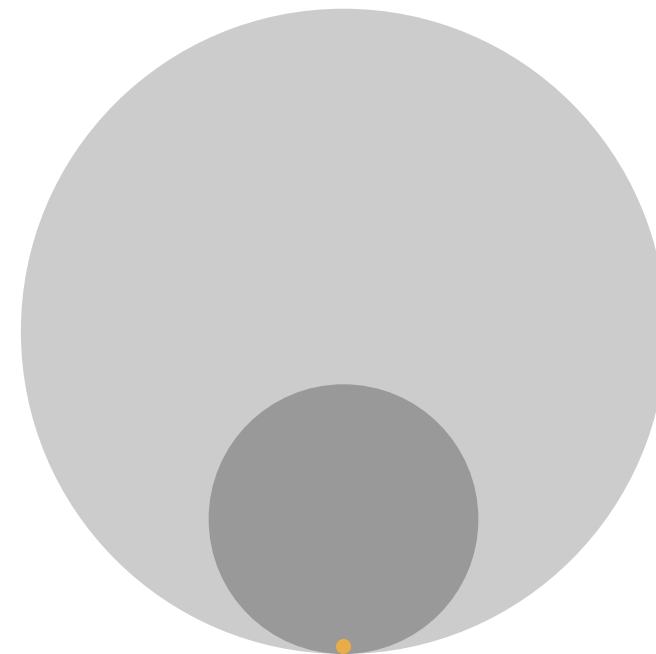
Source: IMF



Stock Markets

- Total stock market capitalization excluding South Africa is around US\$ 200 bn;
- A portfolio diversifier with low correlation to developed equity markets;
- Average earnings growth rate of 10% annually in recent years which we expect to continue;
- Have been lagging global markets over the past years but has the potential to outperform;
- A universe of approximately 1000 investable stocks.

Plenty of Room to Grow



- MSCI Emerging and Frontier Africa ex South Africa
- MSCI EUROPE Index
- S&P 500 Index

Source: MSCI

Source: Bloomberg



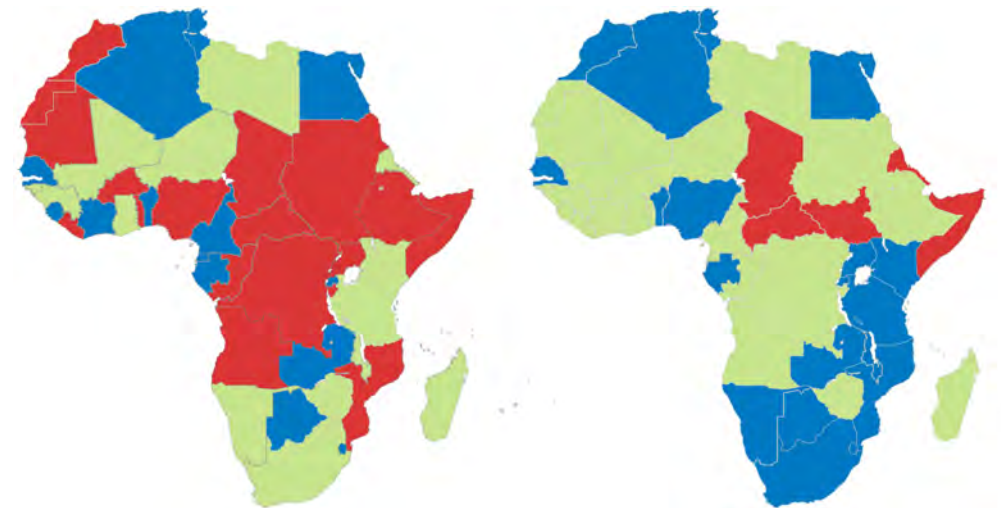
Risks

- A multitude of cultures and boundaries;
- Political risks are higher than average albeit improving;
- Disease and famine remains an issue in some countries but many improvements have been made;
- Lack of infrastructure leads to higher transportation costs;
- Stock markets are less liquid than developed and emerging markets;
- Transparency and accounting standards are relatively low but improving.

Government Stability

1980

Current



■ Stable ■ Relatively stable ■ Unstable



Did You Know...

Half the increase in the world's population over the next 40 years is forecast to come from Africa

The cost of agriculture land in Argentina and Brazil is approximately 7x the cost in Africa

It is forecast that 50% of Africans will be living in cities by 2030

Trade between Africa and the BRICs have increased by a compounded annual growth rate of over 30% in the past decade

Africa consists of 54 countries, 26 stock markets, a population exceeding 1bn and a land mass 3x the size of the US

Source: African Economic Outlook, Africa Invest Fund Management, IMF, Bloomberg, McKinsey Global Institute



FMG Africa Fund

The FMG Africa Fund provides access to the fastest growing parts of Africa, thus differentiating itself from traditional Africa funds which largely focus on South Africa and offshore listed companies with operations in Africa. The investment objective is to achieve long term capital appreciation from underlying portfolios of equities, predominantly listed in Sub-Saharan Africa. The fund utilizes a multi-manager approach, providing diversification geographically and among industry sectors. Managers are selected based on their proven expertise in African equities. The fund is actively managed, with FMG applying both a top down macro and a long term quantitative model to determine allocations, including cash levels. FMG considers risk management an integral element of the portfolio management process. The opportunistic nature of the fund targets investors with a higher risk-reward return profile.

The Model At a Glance

- Determines the rate of acceleration in any given market
- Forecasts turning points and long term direction of the markets
- Rate of change 2 month period vs. weighted rate of change over last 4 years



“Actively managed through a top-down global economic and quantitative model, designed to generate an optimized and well diversified mix of the various asset classes”



FMG Africa Fund Terms

Minimum Investment*

Class A and L14: EUR 10,000

Class B: EUR 75,000

Currencies

EUR GBP SEK USD

Dealing

Monthly

Subscription Fee

Class A and B: Up to 5%

Class L14: None

Redemption Fee

Share Class A and B: None

Share Class L14: Year 1 (5%),

Year 2 (4%), Year 3 (3%),

Year 4 (2%), Year 5 (1%),

Year 6 (0%)

Annual Management Fee

Class A and L14: 2% p.a.

Class B: 1.5% p.a.

Performance Fee

Class A and L14: 20% HWM

Class B: 10% HWM

Fund Launch

June 2008

Subscription Notice Period

5 Business Days

Redemption Notice Period

30 Business Days

Share Classes & ISIN

Class A USD: MT0000076837

Class A EUR: MT0000076829

Class A GBP: MT0000077629

Class A SEK: MT0000076852

Class B USD: MT0000076878

Class B SEK: MT0000076894

Class L14 USD: MT7000011227

Class L14 EUR: MT7000011219

Class L14 GBP: MT7000011235

Administrator

Apex Fund Services

Auditors

Deloitte

Custodian

Credit Suisse

Regulator

MFSA (Malta Financial Services Authority)



*Or equivalent amongst the options listed under "Currencies".

The minimums may not apply to Offshore Portfolio Bonds and/or platforms which may allow down to the equivalent of US \$ 1,000.

Note that this is a marketing document. For detailed descriptions of the terms and conditions, including investment restrictions, as well as brief descriptions of certain risks associated with investing, please refer to the fund's prospectus and offering memorandum.



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