

Dear Valued Client

We wish you all a very happy, healthy and prosperous 2022!

2021 PLEXUS WEALTH FUND PERFORMANCE

2021 was a very successful year in terms of the performance of our Plexus Wealth funds. The performance is summarised in the table below:

PLEXUS WEALTH FUND	1 YEAR To: 31/12/2021
Plexus Wealth BCI Flexible Property Income Fund - A	50,88%
Plexus Wealth BCI Balanced Fund - A	21,81%
Plexus Wealth BCI Conservative Fund - A	15,34%
Plexus Wealth BCI Property Fund - A	46,09%

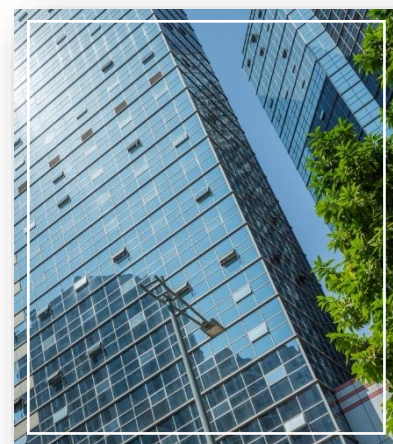
We are particularly pleased with the performance of our Plexus Wealth BCI Property Fund and Plexus Wealth BCI Flexible Property Income Fund. Listed Property has long been a specialty of Plexus Wealth, and the sector has endured many headwinds over the last few years.

The Property Fund returned 46% for the year, making it the second highest performing fund in its category, out of more than 40 funds. Of particular note is that the SATRIX Property ETF which tracks the index, returned 36%, which means the Property Fund outperformed the market by a full 10% over the year. In a market where many commentators suggest that Fund Managers seldom beat the market, it is pleasing to see this degree of Alpha that we were able to deliver. Longer term this is also the trend – over the last 9 years we have outperformed the SATRIX Fund by 25%. We use a 9-year comparison, as the SATRIX fund was founded 9 years ago (our fund has a 13-year history).

First and third place

Our Plexus Wealth BCI Flexible Property Income Fund, although comprised mostly of listed property shares, is categorised as a flexible fund as its mandate allows us to buy other asset classes as well. For example, the fund currently includes a small allocation to South African Government Bonds. Property shares still make up the vast majority. This fund returned 50% (14% above market), which would in fact have made it the top performing Property Fund in the country, pushing our Property Fund down to third place. In summary, our Property Funds had an exceptional year. Well done to our Fund Management team.

Our Offshore Fund selection continued to do well with Credo, Fundsmith and Marriott performing according to or above expectation. These funds did not perform as well as the tech heavy indices such as the Nasdaq or S&P500. However, we are positioning our investors' funds for a more value orientated investment style. We believe this style will outperform significantly over the next 10 years compared to the Growth / Momentum style that has done very well in the tech boom of the last few years.





MARKET OUTLOOK FOR 2022

Globally we believe the Corona Virus pandemic is nearing its end, certainly in terms of the severity of the economic impact. Consensus expert opinion seems to suggest that the virus is evolving in a milder direction which should mean that the lockdowns that we have seen globally over the last two years will be a thing of the past. Some economies such as Australia and New Zealand may still have some uphill to come.

This development and especially the way South Africa handled the Omicron wave is one of the factors behind a significant rally in the markets in December, and we believe the markets are returning to pre-pandemic conditions.

South Africa continues to have many headwinds. It will be an important year for President Ramaphosa's leadership, with the ANC Elective Conference at the end of this year being absolutely key to South Africa's future. Unemployment remains the constant theme we mention, and that is an ever-increasing concern in South Africa.

Global view

Globally we have our eye on a few threats, particularly Russia's and China's geopolitical role in the world. Logistics challenges and potential energy shortages may also impact economies significantly. Inflation and interest rates continue as themes. However, we are optimistic about our investment style, and in particular, companies that provide everyday essentials. These companies have a long and significant growth run ahead for the rest of this decade and beyond.

This is driven by the growing number of consumers in the world, and especially the number of consumers who can afford to buy everyday products. This is particularly the case in Asia, where hundreds of millions of people continue to move from a very low economic income level of under \$2 a day into the higher income brackets. This allows them to spend significantly more on products.

While behind Asia on the curve, Africa will also continue to provide growth for global consumer product companies. We choose to invest in companies that have very dominant positions and large barriers to entry, which keeps out new competition to a significant degree. Global trends of a burgeoning middle class and aging populations, give us significant investment opportunities into the future.



SERVING OUR CLIENTS

At Plexus Wealth, we shape our business to best serve our clients. Aside from our core SA focus, over the last number of years, we've seen emigration from South Africa as a significant and accelerating trend. We are now proud to serve clients in over 10 countries around the world. We have enjoyed the challenge of navigating the emigration process with our clients and have developed a great network of subject matter experts.

We have thus decided to flex our geographical presence to ensure we can serve our clients in their new homes. With the majority of client emigration being to Europe and the UK, that is the first priority. Eric Jones will be moving to the Netherlands at the end of February where he will be starting a Plexus Wealth office in Amsterdam. This office will predominantly serve the expat community in Portugal, Spain, the UK, Ireland and the Netherlands, as well as other areas. Bon Voyage Eric!

Our Mauritius office

We will also be expanding our Mauritius office, with a focus on new and innovative products in the international arena which we believe will be exciting to many of our local and international clients and their families.

The international platform will be critical for seamless client service, relationship continuity, investment market research, product development and talent retention in years to come.

Financial planning needs

Thank you for your support in 2021, which saw a return to positive investment performance after a very volatile 2020. As always, the team is looking forward to assisting you with your financial planning needs, with energy and dedication.

Kind regards

The Plexus Wealth Team



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