

### FACTSHEET

#### Performance Returns

For the month of January 2018 the Drakens Africa ex S.A. UCITS Fund's NAV gained 6.5% whilst the Standard & Poor's All Africa ex-South Africa benchmark rose 5.1%.

#### Investment Objective & Strategy

Drakens Capital employs a long only equity strategy with a heavy focus on sustainability that is the result of two decades of investing in emerging markets. The investment philosophy at Drakens Capital is distilled into a four factor investment valuation model that encompasses Socially Responsible Investing, Risk, Quality and Value. The Fund invests in equities which derive the majority of earnings from the African continent, with the exception of those listed in South Africa. The tremendous growth opportunities found on the continent provide a rapidly expanding pool of investment opportunities. Growth and volatility often go hand in hand hence the Fund's measured and systematic investment approach seeks to tap into the emergence of the African continent whilst mitigating the risks associated with the Africa Rising story.

#### Market Commentary

In January, the Nigerian market gained 18.2% on an improved macroeconomic outlook and a re-rating of undervalued stocks, particularly amongst the banks. The fund's largest country allocation is Nigeria, and the overweight exposure benefited performance. The fund's three largest contributors to return for the month were good quality Nigerian Banks, namely Zenith Bank, United Bank for Africa and Guaranty Trust Bank. There was a negative selection effect in Nigeria for the month, mostly due to strong performance from FBNH, which is not held in the fund due to quality concerns. Kenya, Morocco and Mauritius, the fund's third, fourth and fifth largest country allocations, each gained 7.8%, 7.0% and 5.6% during the month. The Kenyan overweight benefited the fund, and Safaricom the fund's second largest holding gained 11.4%. The underweight in Morocco resulted in a negative allocation effect. The Egyptian market was up 1.4% during the month, whilst the fund's Egyptian holdings gained 3.9%. This positive selection effect was due to Eastern Tobacco and El Sewedy Electric, both amongst the fund's top 10 holdings.

Investor confidence in Egyptian reform and economic recovery is strengthening. This is supported by reducing inflation, continued fiscal consolidation, strong levels of foreign reserves and tight monetary policy to defend the currency. In Kenya there has been a very strong post-election improvement in economic activity, with PMI rising from an October 2017 low of 34% to 53% in December 2017. Brent Crude gained 3.3% to \$69.0 in January, supporting the Nigerian market rally and marking a 7th straight positive month, up 77.7% from \$46.0 in June 2017.

The general outlook for our major markets is positive. In Egypt, the IMF has forecast GDP growth of 4.5% in 2018. Improving stability in the price of goods, and gradually reducing rates is likely to be supportive of greater consumer confidence, credit expansion and investment. Egypt will hold elections in March, and it looks highly likely that incumbent Abdel-Fattah El-Sisi will be re-elected. In Kenya, we expect the government to consider taking action to widen the rate cap, in order to support credit extension to the crucial SME sector. Given the election of a government with supportive macroeconomic policies and the recovery in economic activity, asset quality and conditions for lending are expected to improve. In Nigeria, the IMF has forecast 1.9% GDP growth in 2018, an acceleration over 2017 as the outlook continues to improve.

SOURCE: Bloomberg L.P. as of 31 January 2018, unless stated otherwise.

#### UCITS Fund Performance

Fund	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2018	6.49%												6.49%
2017	1.06%	2.52%	1.59%	1.76%	8.08%	3.68%	4.97%	-1.10%	1.22%	0.84%	3.01%	2.14%	33.81%
2016											0.23%	0.23%	0.46%

Benchmark	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2018	5.12%												5.12%
2017	3.28%	-0.62%	-0.29%	0.59%	5.59%	3.95%	5.47%	1.46%	2.54%	2.52%	-1.66%	2.58%	28.23%
2016											0.21%	3.13%	3.35%

The performance figures quoted above represent the performance of the Drakens Africa ex S.A UCITS Fund since launch on 28<sup>th</sup> November 2016. These performance figures refer to the past and past performance is not a guarantee of future performance or a reliable guide to future performance.

### THE MANAGER



#### Sven Richter

Sven started investing in emerging markets 23 years ago. He joined Drakens Capital in 2011 and was instrumental in the 2016 management buyout. He came to the firm from Franklin Templeton where he launched one of the first Frontier Funds in the world which has today become a household name in frontier investing.

#### Orrin Flugel, CFA, CAIA

Orrin has over 10 years of industry experience as a macro economist and investment analyst. Orrin excelled at company research at Cape-Town based Oasis Asset Managers then progressed as a Senior Industrial Analyst at First National Bank. He joined the team in July 2011.

#### Paul Ross, CFA, CA(SA)

Joined in May 2011 as an Investment Analyst. Paul has over 10 years of investment experience and is a qualified Chartered Accountant. Prior to Drakens Capital, Paul was a sell-side analyst at Afrifocus Securities where he specialised in diversified industrials.

#### Jeremy Gorven, CFA

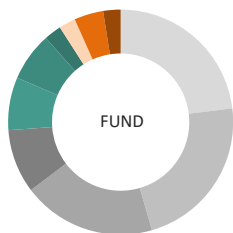
Jeremy has 8 years of industry experience, and over 4 years of investment experience. He joined as an Investment Analyst in 2014. Jeremy was a founding member of The IQ Business Group's strategic advisory division. Thereafter he progressed to Merchant West where he stood out as a Credit Analyst.

### FUND FACTS

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Daily
Fund AUM	\$29.7 million
Inception	28th November 2016
Share Class	Institutional
Currency	EUR/USD/CHF/GBP
Mgt. Fee	1.25%
Perf. Fee	0%
Min Init. Sub.	1,000,000
ISIN Codes	EUR: IE00BD3S0347 USD: IE00BD3S0560 CHF: IE00BD3S0677 GBP: IE00BD3S0453
Share Class	Retail
Currency	EUR/USD/CHF/GBP
Mgt. Fee	2.00%
Perf. Fee	0%
Min Init. Sub.	10,000
ISIN Codes	EUR: IE00BD3S0784 USD: IE00BD3S0909 CHF: IE00BD3S0B24 GBP: IE00BD3S0891

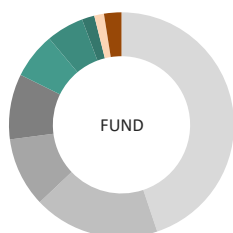
### Portfolio Overview (%)

#### Country Breakdown



	% of Port.	vs. Index
Nigeria	23.1	7.1
Egypt	22.5	9.8
Kenya	19.2	10.2
Multinational	9.2	-19.4
Morocco	7.6	-9.2
Mauritius	7.0	2.7
Botswana	2.5	0.8
BRVM	2.4	0.3
Other	4.2	-4.9
Cash	2.5	2.5

#### Sector Breakdown



	% of Port.	vs. Index
Financials	44.9	15.1
Consumer Staples	18.1	1.2
Materials	10.0	-16.6
Telecomm Services	9.4	-1.4
Industrials	6.6	3.9
Energy	5.4	-0.2
Utilities	1.8	-0.1
Consumer Discretionary	1.4	-0.4
Other	0.0	-0.0
Cash	2.5	2.5

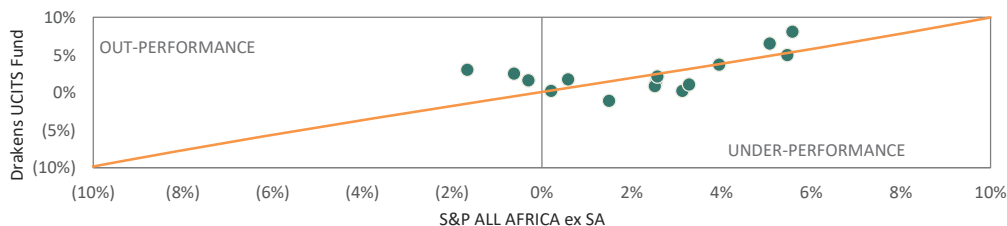
#### Top 10 Holdings (100%)

ZENITH BANK	6.2%
SAFARICOM LTD	5.7%
EASTERN TOBACCO	5.6%
RANDGOLD RESOURCES LTD	5.2%
ELSWEDY ELECTRIC	5.2%
ATTIJARIWAFABANK	4.6%
MCB GROUP	4.6%
TULLOW OIL	4.3%
EQUITY GROUP HOLDINGS	3.6%
GUARANTY TRUST BANK	3.6%

#### Financial Ratios

	Fund	Index
Price Earnings (12 months forward)	9.8	12.8
Price to Book	2.0	1.8
Return on Equity	14.0	7.8
Dividend Yield	3.8	2.6

### Active Monthly Returns\*



\*Since Inception to 31 January 2018, USD Share Class: Monthly, %

### Contact Details

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