

FUND INFORMATION

Fund Manager

Ian Anderson and Geoff Noble

ASISA sector classification

South African - Equity - General

Size

R120m

Risk profile

Aggressive

Benchmark

Average of the ASISA South African Equity General sector

Recommended investment term

Longer than 5 years

Minimum lump sum investment

R5 000

Minimum debit order investment

R500

Valuation time

15h00

Inception date

02 July 2013

Distribution dates

March, June, September, December

Payment date

5 to 7 working days after declaration

NAV on reporting date

Class A 123.92 cents per unit

Class C 123.91 cents per unit

Distributions (last 12 months)

Class A 3.47 cents per unit

Class C 3.85 cents per unit

FEES (VAT exclusive)

Maximum initial advisor fee

Class A 3.00%

Class C 0.00%

Maximum initial manager fee

Class A and Class C 0.00%

Annual management fee

Class A 1.00%

Class C 0.75%

No performance fee

C class fund only available via LISPs

TOTAL EXPENSE RATIO (TER)*
(VAT inclusive)

	Class A	Class C
TER	1.56%	1.02%

* All performance figures are quoted after the deduction of costs included in the TER. The TER has been calculated using data from 1 October 2013 until 30 September 2014. The TER is disclosed as a % of the average NAV of the portfolio and underlying portfolios. The TER is adjusted for significant subsequent portfolio restructuring and fee changes.

A higher TER does not necessarily imply a poor return. The current TER cannot be regarded as an indication of future TERs.

INVESTMENT OBJECTIVE AND MANDATE

The investment objective of the portfolio is to seek a high level of income (more in the form of dividends) and long-term growth in dividend income in excess of the rate of inflation such that the portfolio will produce a total return in excess of the average of the ASISA South African Equity General sector at lower levels of volatility. Income will be a key component of the portfolio. The risk profile of this portfolio to the investor will be above average, due to its prominent exposure to the equity risk factor.

BENEFITS

- Above-average income yield (mainly dividends)
- Above-inflation growth in income
- Long-term capital growth

INCOME YIELD AND INCOME GROWTH *

As at	Gross forward income yield	Income growth
31/10/2014	4.71%	10.58%

* The gross forward income yield is the amount of income (before costs and withholding taxes), expressed as a percentage of the current price, which the portfolio is expected to deliver to investors over the next 12 months. The income growth is the expected per annum growth in the income paid to investors over the next three years. These are estimates based upon our expectations of all income (dividends, interest and distributions) to be received by the portfolio for payment to investors, assuming market conditions do not change materially over the 12-month and three-year periods. The gross forward income yield and income growth rate are indicative only and are not guaranteed. These are Grindrod Asset Management estimates.

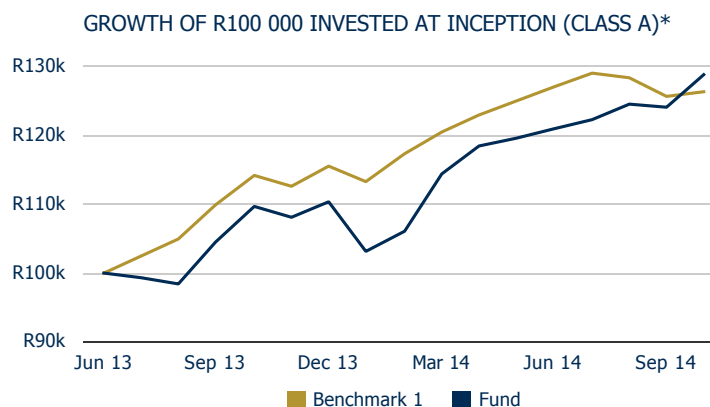
PERFORMANCE

Term	Class A	Class C	Benchmark ¹	Benchmark ²
6 months	8.76%	8.91%	2.49%	3.21%
1 year	17.48%	17.75%	10.52%	12.54%
Since inception (annualised)	20.87%	-	18.97%	21.99%

1) Average of the ASISA South African Equity General sector

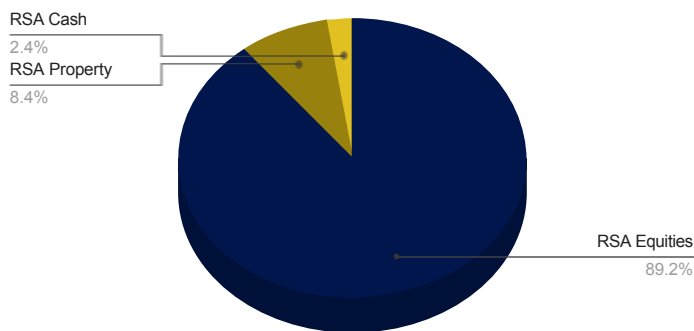
2) FTSE/JSE All Share Index (Total Return)

LONG-TERM TRACK RECORD



* Assuming distributions reinvested

ASSET ALLOCATION



TOP 10 HOLDINGS

Security	Weighting (%)
Clicks Group Limited	4.64%
Firststrand Limited	4.26%
Woolworths Holdings Limited	4.26%
Nampak Limited	4.24%
Truworths International Limited	4.19%
Bidvest Group Limited	4.18%
Vodacom Group	4.13%
MMI Holdings Limited	4.12%
Investec plc	4.10%
Old Mutual plc	4.09%

COMMENTARY

Despite the US Federal Reserve's exit from a six year stimulus programme, global financial markets posted further gains in October as the Bank of Japan announced a significant increase in its asset purchase programme. Global equity markets received a further boost from US companies which have posted stronger than expected third quarter earnings. Bond yields declined, helping global and South African listed property companies post impressive gains in October.

The Grindrod Equity Income Growth Fund advanced by 3.8% in October. The Fund continues to allocate approximately 90% of the portfolio to high quality businesses that are expected to deliver double-digit earnings growth over the medium and long term and reward shareholders with above-average dividend yields. The Fund also allocates 10% of the portfolio to listed property companies that offer an acceptable income yield and above-average income growth prospects, while at the same time providing an adequate level of property and geographic diversification.

The Fund continues to offer investors both an acceptable level of initial income, as well as inflation-beating income and capital growth over the medium and long term. The current one year forward yield on the Fund is 4.7% and distributions are expected to grow by 10.6% per annum over the next three years.

HOW TO INVEST

- Visit our website at www.grindrodassetmanagement.com and download an application form.
- Complete the relevant sections and return all required documentation and proof of payment to us via fax: + 27 (0)31 571 0761 or email: investments@grindrod.co.za.
- If you have any queries regarding this form please contact your financial advisor or our Client Service department on 0800 117 842.

DISCLAIMER

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The Manager has appointed Grindrod Asset Management (Pty) Ltd ("GrAM"), FSP 29834, as an Investment Manager of the portfolio. The Manager is an ordinary member of the Association of Savings and Investments SA. Collective Investment Schemes in Securities (Unit Trusts) are generally medium to long term investments. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to the future. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. CPI means Consumer Price Index for all urban areas. A schedule of fees and charges and maximum commissions is available on request from the company/scheme. Commission and incentives may be paid and if so, would be included in the overall costs.

In order to receive the price of the day, purchase and redemption instructions must be received by the manager before 14h00. The fund is valued on every business day at 15h00 and forward pricing is used. Unit trust prices are calculated on a net asset value (NAV) basis, which is the total market value of all assets in the portfolio including any income accruals and less any quantifiable and non-quantifiable deductions from the portfolio divided by the number of units in issue. Quantifiable deductions are the initial fee and annual management fee indicated above whilst non-quantifiable deductions included in the net asset value price comprise brokerage, marketable securities tax, auditor's fees, bank charges, trustee and custodian fees and RSC levies. Different classes of participatory interests may apply to this portfolio and if so different fees and charges apply. A fund of fund is a portfolio that invests in other portfolios of collective investment schemes, which levy their own charges, which could result in a higher fee structure for this portfolio. This portfolio may be closed to new investors in order to be managed in accordance with its mandate. Graphs and performance figures quoted are sourced from GrAM for the current period for lump sum investments including income distributions at NAV to NAV basis and do not take any initial fees into account. Income is reinvested on the ex-dividend date. Actual investment performance may differ based on the initial fees applicable, the actual investment date and the date of re-investment of income. The Manager may borrow up to 10% of the market value of the portfolio, where insufficient liquidity exists to meet its obligations in relation to the administration of a scheme relating to settlement of buying and sale transactions and repurchase or cancellation of participatory interests. The trust and supplemental deeds are kept at the registered office of the manager and are available on request. The Conflict of Interest Management Policy and the Complaints Resolution Policy and Procedure are available on request from the Compliance Officer via email at compliance@grindrod.co.za or by post. GrAM is an Authorised Financial Services Provider.