

Key Investor Information Document Zimele Balanced Fund

Managed by Zimele Asset Management Ltd

This document presents essential investor details regarding this Fund, distinct from market content. It is mandated by regulations to facilitate your comprehension of the Fund's characteristics and associated risks. We strongly recommend reviewing it to enable an informed investment decision.

INVESTMENT OBJECTIVE

The investment objective of the Zimele Balanced Fund is to achieve capital preservation and medium-to long term capital growth. As a moderately aggressive Fund, it invests in a diversified set of securities ranging from fixed income securities such as treasury bills, treasury bonds, corporate bonds, bank call and fixed deposits, and listed equities and collective investment schemes. The Fund aims to deliver long-term growth with lower volatility.

INVESTMENT POLICY

The Zimele Balanced Fund invests within regulatory limits in a diversified portfolio of equities and fixed-income securities. The Fund invests in equities selected based on profitability and margin of safety, ensuring that securities are undervalued with strong growth potential and trading below their intrinsic value in addition to equities, the Fund holds fixed-income instruments such as government bonds, treasury bills, corporate bonds, and other qualifying fixed-income securities providing a stable income stream and risk diversification. The Fund's benchmark is a composite index comprising the 364-day Treasury Bill, the NSE All Share Index, and the FTSE Bond Index of Kenya. Through a prudent and disciplined approach,

the Fund aims to outperform this composite benchmark, making it an ideal choice for investors seeking steady returns with a low-risk profile.

The book value of an investment in a single bond or security and the holding of a corporate bond related to any single issuer are limited to 25% of the Fund's net asset value. These restrictions, outlined in the Information Memorandum, must be followed at all times.

Regular monthly reports, presented as fact sheets, offer unit holders insights into investment activity, performance, and changes within the Zimele Balanced Fund's portfolio, as managed by the Fund Manager.

You can deposit into the Fund any day, Monday through Sunday. Withdrawals processed on business days (Monday to Friday), excluding weekends and public holidays.

Recommendation: The Fund is suitable for investors with a medium term horizon of 3 years and above.

RISK AND REWARD PROFILE



WHY THE FUND IS CATEGORY 3?

The Fund is rated category 3 due to its exposure to shares and stocks and the nature of its investments which include the risks listed below.

The factors below have an impact on the value of investments and expose the Fund to potential losses.

The Fund invests in equities, which are subject to market fluctuations. If the market declines, the value of the Fund may also decline. Since the Fund holds fixed-income securities (e.g. Treasury bonds), rising interest rates can lead to a decline in bond prices, affecting returns.

It may be difficult for a Fund to liquidate and redeem its underlying investments on short notice during extreme market conditions without incurring a loss.

WHAT THE NUMBERS MEAN

The numbers rate how the Fund will behave and how much risk there is to your invested capital. Generally, in financial markets high returns are usually matched by high risk.

RISK CATEGORY 1:

A category 1 Fund is not a risk-free investment. It means the risk of losing your invested capital is small, but also the risk of making gains is also small.

RISK CATEGORY 7:

In a category 7 Fund, the potential for huge returns is high but also the risk of losing your money is also high.

Note: The seven-category risk scale (The Synthetic Risk and Reward Indicator, SRRI, series) is a complex undertaking and a scale category of 2 does not imply that it is twice as risky as category 1 risk.

Additional risks to the Fund have been outlined in the supplementary information memorandum of the Fund in addition to the risks outlined in the Zimele Unit Trust Scheme Information Memorandum.

CHARGES

These charges are used to pay the administrative costs of running the Fund, including the costs of system maintenance marketing, research and, operations. Overall, they reduce return on investment.

ONE OFF CHARGES BEFORE YOU INVEST

Entry Charge 0

Exit Charge 0

CHARGES TAKEN FROM THE FUND OVER A YEAR

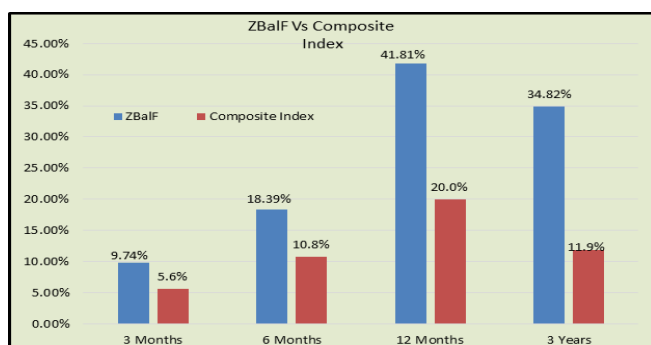
Fund Management Fees 2 % of AUM per annum in management fees.

The entry and exit charges shown are the maximum figures.

The Fund management fee is a fixed charge and is the same every year unless changed through an amendment of the information memorandum upon the Authority's approval.

You can find out more details about the charges by looking at the Fees' section of the Information Memorandum and read together with Supplementary Information Memorandum.

PAST PERFORMANCE



PRACTICAL INFORMATION

Custodian: STANDARD CHATERED BANK KENYA PLC

About the Fund

- Zimele Balanced Fund "Fund" is a CIS product established under the Capital Markets regulations as a unit trust under the provisions of the Capital Markets (Collective Investment Schemes) Regulations 2023 ("the CIS Regulations").
- The Fund shall operate as an open-ended fund and its units shall therefore be continuously offered through the Fund Manager and its authorized agents.
- The unit holders' interest in the Fund will be represented by the units held in the Fund determined by the Net Asset Value of the Fund.
- This Fund is subject to tax laws and regulations of Kenya. Depending on your home country of residence, this might have an impact on your personal tax position. For further details, please consult your adviser.
- The currency of the Fund is in KES.

Find out more

- Further information about the Fund, copies of the prospectus, annual and half-yearly reports may be obtained free of charge in English. Write to the Manager, at Zimele Asset Managers Limited, Eco bank Towers, 7th Floor – Muindi Mbingu Street, Nairobi, Kenya or visit the website www.zimele.co.ke.
- Other information including the latest share prices are available at the registered office of the Manager and the Trustee KCB BANK KENYA PLC, KCB Towers, Kenya Road, Upper hill, Nairobi, Kenya, during normal business hours and will be published on the Zimele Asset Management Firm Company website, www.zimele.co.ke.

- This Fund is authorized in Kenya and regulated by the Capital Markets Authority(CMA).
- The Fund Manager, Zimele Asset Management is regulated by the Capital Markets Authority (Kenya).

This Key Investor Information is accurate as at 1st January 2025 and shall remain current and relevant as at such date.