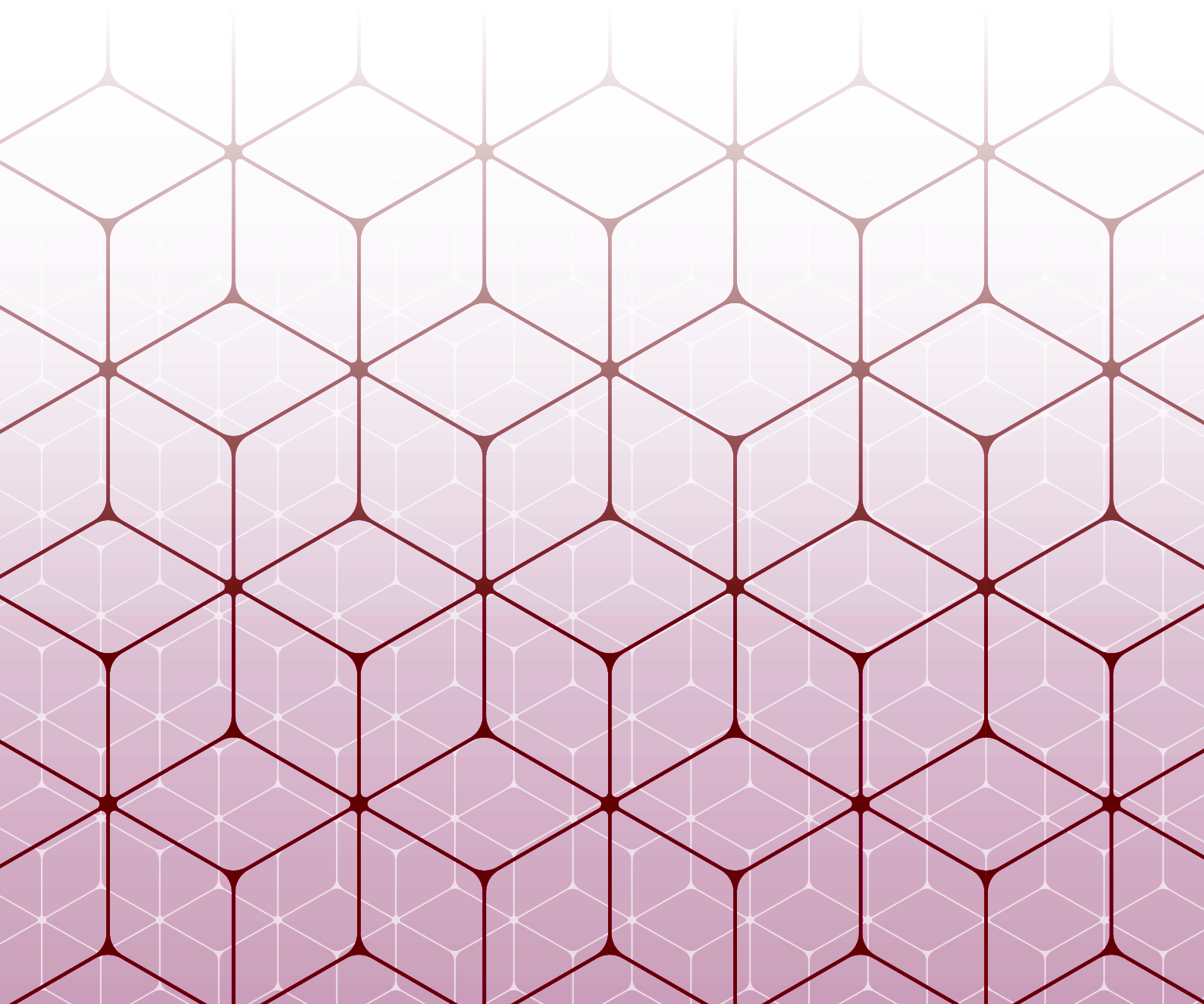


STRATEGIC INVESTMENT SERVICE

Management Company (RF) (Pty) Ltd

ABRIDGED ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2020



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Manager

Strategic Investment Service Management Company (RF) Proprietary Limited ("SIS") is registered in terms of the Unit Trust Scheme Control Act as the manager of the SIS Unit Trust Scheme.

SIS is a wholly owned subsidiary of Acsis Limited. SIS is a full member of the Association for Savings and Investment SA.

Company information

Registration number 1997/022003/07

Registered address

Mutualpark, Jan Smuts Drive, Pinelands, 7405

Contact details

PO Box 44604, Claremont, 7735, South Africa

Tel: +27 (21) 524 4410

Independent Non-Executive Director

TJ Tapela
LA Harvey
PJ Dempsey

Executive Director

TJ Pascoe
ES Botha

Company secretary

Old Mutual Life Assurance Company (South Africa) Limited

Portfolio manager

Acsis Limited is the portfolio manager for all of the portfolios

Trustees

Standard Bank of South Africa Limited

Auditors

KPMG Inc

Copies of the audited annual financial statements of the Manager and of the schemes managed by it are available free of charge on request. Please contact the office detailed above. No scrip lending activities were undertaken by any of the schemes.

REPORT OF THE MANAGING DIRECTOR

The annual report contains the pertinent financial information for the year ended 31 December 2020. There was no deviation from the investment policies and objectives of the portfolios as contained in the relevant Trust Deeds.



ES Botha

Strategic Investment Service Management Company (RF) Proprietary Limited



The Manager
Strategic Investment Service Management Company (RF) (Pty) Limited
Mutual Park
Jan Smuts Drive
Pinelands
7405

REPORT OF THE TRUSTEE FOR THE STRATEGIC INVESTMENT SERVICE UNIT TRUST SCHEME

We, the Standard Bank of South Africa Limited, in our capacity as Trustee of the Strategic Investment Service Unit Trust Scheme (“the Scheme”) have prepared a report in terms of Section 70(1)(f) of the Collective Investment Schemes Control Act, 45 of 2002, as amended (“the Act”), for the financial year ended 31 December 2020.

In support of our report we have adopted certain processes and procedures that allow us to form a reasonable conclusion on whether the Manager has administered the Scheme in accordance with the Act and the Scheme Deed.

As Trustees of the Scheme we are also obliged to in terms of Section 70(3) of the Act to satisfy ourselves that every statement of comprehensive income, statement of financial position or other return prepared by the Manager of the Scheme as required by Section 90 of the Act fairly represents the assets and liabilities, as well as the income and distribution of income, of every portfolio of the Scheme.

The Manager is responsible for maintaining the accounting records and preparing the annual financial statements of the Scheme in conformity with International Financial Reporting Standards. This responsibility also includes appointing an external auditor to the Scheme to ensure that the financial statements are properly drawn up so as to fairly represent the financial position of every portfolio of its collective investment scheme are in accordance with International Financial Reporting Standards and in the manner required by the Act.

Our enquiry into the administration of the Scheme by the Manager does not cover a review of the annual financial statements and hence we do not provide an opinion thereon.

Based on our records, internal processes and procedures we report that nothing has come to our attention that causes us to believe that the accompanying financial statements do not fairly represent the assets and liabilities, as well as the income and distribution of income, of every portfolio of the Scheme administered by the Manager.

Standard Bank Centre 1st Floor 5 Simmonds Street Johannesburg 2001 / PO Box 61690 Marshalltown 2107 South Africa
Tel. Switchboard: +27 (0)11 636 9112 Fax +27 (0)11 636 4207 / standardbank.co.za

The Standard Bank of South Africa Limited (Reg. No. 1962/00738/06) Authorised financial services provider and registered credit provider (NCRCP15)

Directors: TS Gcabashe (Chairman) L Fuzile* (Chief Executive) PLH Cook A Daehnke* MA Erasmus¹ GJ Fraser-Moleketi Xueqing Guan² GMB Kennealy JH Maree NNA Matyumza
KD Moroka NMC Nyembezi ML Oduor-Otieno³ AC Parker ANA Peterside CON* MJD Ruck SK Tshabalala* JM Vice Lubin Wang²

Company Secretary: Z Stephen - 22/02/2021*

Executive Director ¹British ²Chinese ³Kenyan ⁴Nigerian

We confirm that according to the records available to us, no losses were suffered in the portfolios and no investor was prejudiced as a result thereof.

We conclude our report by stating that we reasonably believe that the Manager has administered the Scheme in accordance with:

- (i) the limitations imposed on the investment and borrowing powers of the manager by this Act;
- (ii) and the provisions of this Act and the deed;



Melinda Mostert
Standard Bank of South Africa Limited



Seggie Moodley
Standard Bank of South Africa Limited

30 March 2021

Standard Bank Centre 1st Floor 5 Simmonds Street Johannesburg 2001 / PO Box 61690 Marshalltown 2107 South Africa
Tel. Switchboard: +27 (0)11 636 9112 Fax +27 (0)11 636 4207 / standardbank.co.za

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Company Secretary: Z Stephen - 22/02/2021*
Executive Director ¹British ²Chinese ³Kenyan ⁴Nigerian

IMPORTANT NOTICE:

In terms of the Collective Investment Schemes Control Act, the trustees of all unit trust companies must report on their adherence to limitations imposed on investing, borrowing powers and the general provisions of the Act and Trust Deed. Our Trustees, Standard Bank of South Africa Limited, have released the Strategic Investment Service Unit Trust Scheme report for 2020. The report does not detail any material breaches and is available from the Manager on request and may be viewed at the registered offices of the Manager.

R'000	SIS Equity Fund	SIS Equity Fund of Funds	SIS Flexible Income Fund of Funds	SIS Inflation Matching Fund of Funds
STATEMENT OF COMPREHENSIVE INCOME				
FOR THE YEAR ENDED 31 DECEMBER 2020				
Net income from operations before finance costs	468 176	35 514	26 315	11 683
Total finance costs	196 738	18 382	36 386	14 656
Distributions	196 738	18 328	36 386	14 656
Withholding tax on foreign dividends	-	54	-	-
Change in net assets attributable to unitholders	271 438	17 132	(10 071)	(2 973)
STATEMENT OF FINANCIAL POSITION				
AT 31 DECEMBER 2020				
Total assets	5 680 887	592 940	520 612	221 912
Total liabilities, excluding net assets attributable to unitholders	127 636	2 081	9 604	6 900
Net assets attributable to unitholders	5 553 251	590 859	511 008	215 012

R'000	SIS Inflation Plus 1-3 Fund of Funds	SIS Inflation Plus 3-5 Fund of Funds	SIS Inflation Plus 3-5 Prudent Fund of Funds	SIS Inflation Plus 4-6 Fund of Funds
STATEMENT OF COMPREHENSIVE INCOME				
FOR THE YEAR ENDED 31 DECEMBER 2020				
Net income from operations before finance costs	269 075	933 023	109 472	541 355
Total finance costs	184 767	336 841	52 370	274 224
Distributions	184 650	336 092	52 250	273 467
Withholding tax on foreign dividends	117	749	120	757
Change in net assets attributable to unitholders	84 308	596 182	57 102	267 131
STATEMENT OF FINANCIAL POSITION				
AT 31 DECEMBER 2020				
Total assets	4 090 215	10 848 127	1 473 638	7 825 561
Total liabilities, excluding net assets attributable to unitholders	70 511	99 970	15 879	67 874
Net assets attributable to unitholders	4 019 704	10 748 157	1 457 759	7 757 687

R'000	SIS International Fixed Interest Fund of Funds	SIS International Flexible Fund of Funds	SIS International Growth Fund of Funds	SIS Maximum Return Fund of Funds
STATEMENT OF COMPREHENSIVE INCOME				
FOR THE YEAR ENDED 31 DECEMBER 2020				
Net (loss)/income from operations before finance costs	(196 164)	56 497	4 346 362	193 631
Total finance costs	-	16 077	18 570	8 091
Distributions	-	16 077	18 570	8 026
Withholding tax on foreign dividends	-	-	-	65
Change in net assets attributable to unitholders	(196 164)	40 420	4 327 792	185 540
STATEMENT OF FINANCIAL POSITION				
AT 31 DECEMBER 2020				
Total assets	1 435 456	2 237 291	19 503 949	1 398 777
Total liabilities, excluding net assets attributable to unitholders	231	12 391	7 359	695
Net assets attributable to unitholders	1 435 225	2 224 900	19 496 590	1 398 082

R'000	SIS Money Market Fund	SIS Property Equity Fund	SIS Property Fund of Funds
STATEMENT OF COMPREHENSIVE INCOME			
FOR THE YEAR ENDED 31 DECEMBER 2020			
Net income/(loss) from operations before finance costs	35 266	(184 046)	(9 851)
Total finance costs	35 266	23 384	3 606
Distributions	35 266	23 384	3 590
Withholding tax on foreign dividends	-	-	16
Change in net assets attributable to unitholders	-	(207 430)	(13 457)
STATEMENT OF FINANCIAL POSITION			
AT 31 DECEMBER 2020			
Total assets	694 288	406 834	70 641
Total liabilities, excluding net assets attributable to unitholders	2 522	8 460	1 623
Net assets attributable to unitholders	691 766	398 374	69 018

Portfolio composition	Cash and cash equivalents*	Money market instruments	Derivatives at fair value#	Bonds	Unit trusts		Equity	
					Local	Foreign	Local	Foreign
SIS Equity Fund	0.69	-	-	-	-	-	99.31	-
SIS Equity Fund of Funds	0.64	-	-	-	99.36	-	-	-
SIS Flexible Income Fund of Funds	2.10	-	-	-	97.90	-	-	-
SIS Inflation Matching Fund of Funds	3.26	-	-	-	96.74	-	-	-
SIS Inflation Plus 1-3 Fund of Funds	1.88	-	-	-	98.12	-	-	-
SIS Inflation Plus 3-5 Fund of Funds	1.17	-	-	-	98.83	-	-	-
SIS Inflation Plus 3-5 Prudent Fund of Funds	0.63	-	-	-	99.37	-	-	-
SIS Inflation Plus 4-6 Fund of Funds	0.88	-	-	-	99.12	-	-	-
SIS International Fixed Interest Fund of Funds	0.16	-	-	-	-	99.84	-	-
SIS International Flexible Fund of Funds	1.49	-	-	-	-	98.51	-	-
SIS International Growth Fund of Funds	0.19	-	-	-	-	99.81	-	-
SIS Maximum Return Fund of Funds	0.23	-	-	-	99.77	-	-	-
SIS Money Market Fund	8.94	91.06	-	-	-	-	-	-
SIS Property Equity Fund	4.63	-	-	-	-	-	95.37	-
SIS Property Fund of Funds	3.26	-	-	-	96.74	-	-	-

* Only capital, current and call deposits are included.

Where portfolios hold SAFEX instruments the fair value of derivative assets and liabilities is zero.

Investment performance	1 YEAR	3 YEARS	5 YEARS	7 YEARS	10 YEARS
	(Class A)	(Class A)	(Class A)	(Class A)	(Class A)
SIS Equity Fund	7.8	1.0	4.5	4.7	9.1
SIS Equity Fund of Funds*	3.6	-1.3	-	-	-
SIS Flexible Income Fund of Funds*	3.4	5.2	-	-	-
SIS Inflation Matching Fund of Funds	5.5	6.9	7.5	7.0	6.4
SIS Inflation Plus 1-3 Fund of Funds	7.3	5.3	6.3	6.9	9.0
SIS Inflation Plus 3-5 Fund of Funds	9.5	4.3	6.0	6.9	9.7
SIS Inflation Plus 3-5 Prudent Fund of Funds	8.2	-	-	-	-
SIS Inflation Plus 4-6 Fund of Funds	7.6	3.3	5.4	6.5	9.8
SIS International Fixed Interest Fund of Funds	6.2	4.9	-1.2	3.4	7.3
SIS International Flexible Fund of Funds	2.7	10.4	-	-	-
SIS International Growth Fund of Funds	23.6	13.7	-	-	-
SIS Maximum Return Fund of Funds	15.2	7.7	7.3	8.4	12.0
SIS Money Market Fund	5.5	7.2	7.5	7.2	6.7
SIS Property Equity Fund	-37.4	-22.8	-9.8	-1.8	3.4
SIS Property Fund of Funds*	-32.4	-19.1	-	-	-

Income distribution per unit (cents)	MARCH 2020	JUNE 2020	SEPTEMBER 2020	DECEMBER 2020
	(Class A)	(Class A)	(Class A)	(Class A)
SIS Equity Fund	-	11.29	-	20.66
SIS Equity Fund of Funds*	-	7.08	-	0.57
SIS Flexible Income Fund of Funds*	5.54	3.70	3.52	3.66
SIS Inflation Matching Fund of Funds	-	4.42	-	3.65
SIS Inflation Plus 1-3 Fund of Funds	-	11.77	-	7.47
SIS Inflation Plus 3-5 Fund of Funds	-	10.14	-	4.17
SIS Inflation Plus 3-5 Prudent Fund of Funds	-	5.23	-	2.26
SIS Inflation Plus 4-6 Fund of Funds	-	16.71	-	5.63
SIS International Fixed Interest Fund of Funds	-	-	-	-
SIS International Flexible Fund of Funds	-	0.39	-	1.73
SIS International Growth Fund of Funds	-	0.04	-	-
SIS Maximum Return Fund of Funds	-	5.34	-	-
SIS Money Market Fund**	-	-	-	-
SIS Property Equity Fund	-	8.81	-	4.69
SIS Property Fund of Funds*	-	5.99	-	2.24

* Relates to class T.

** The SIS Money Market Fund distributes daily.

Price and total expense ratio	LAST PUBLISHED PRICE	TOTAL EXPENSE RATIO (TER)
	(31/12/2020)	Percentage per Class (%)
	(Class A)	(Class A)
SIS Equity Fund	1 108.10	1.03
SIS Equity Fund of Funds*	199.96	1.39
SIS Flexible Income Fund of Funds*	201.44	0.70
SIS Inflation Matching Fund of Funds	125.82	1.18
SIS Inflation Plus 1-3 Fund of Funds	443.65	1.31
SIS Inflation Plus 3-5 Fund of Funds	471.24	1.40
SIS Inflation Plus 3-5 Prudent Fund of Funds	218.06	1.31
SIS Inflation Plus 4-6 Fund of Funds	691.38	1.40
SIS International Fixed Interest Fund of Funds	181.08	1.26
SIS International Flexible Fund of Funds	363.10	0.91
SIS International Growth Fund of Funds	640.66	1.14
SIS Maximum Return Fund of Funds	935.89	1.56
SIS Money Market Fund	100.00	0.39
SIS Property Equity Fund	246.81	0.55
SIS Property Fund of Funds*	104.07	0.98

* Relates to class T.



STATUTORY INFORMATION:

Only the A Class fund portfolios and T Class fund portfolios for SIS Equity Fund of Funds, SIS Flexible Income Fund of Funds and SIS Property Fund Funds have been included in this Abridged Annual Report. Performance figures are only disclosed for funds that have been in existence for more than one year. A fund portfolio is identical for all the respective classes of that fund. Different classes purely reflect different fee structures, not different portfolio compositions. The A Classes and T Classes have been selected for this Annual Report as this is the only class of units which a retail investor can purchase directly from the SIS Unit Trust Scheme. Note that full details of all the funds and classes are available in the full Annual Report. All performance figures are based on lump sum investments to December 2020. Unit trusts are generally medium- to long-term investments. Past performance is no indication of future growth. Shorter term fluctuations can occur as your investment moves in line with the markets. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Unit trusts can engage in borrowing and scrip lending. The fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. A schedule of fees, charges and maximum commissions is available from the company. You may sell your investment at the ruling price of the day (calculated at 15h00 daily and 17h00 at month-end for all funds, except the Money Market Fund, which is at 13h00). A Fund of Fund unit trust invests only in other Collective Investment Schemes, which may levy their own charges.

The performance is calculated on a NAV-NAV basis and does not take any initial fees into account. Income is reinvested on the ex-dividend date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income.

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