



21 April 2020

Dear Client

Joint announcement by Skyblue Fund Managers and Efficient Group Ltd in regard to a transaction concluded on 1 March 2020.

Towards the middle of last year, the shareholders of Skyblue decided, in the interests of their clients, to seek a transaction with a larger financial services group. Efficient Group was identified as a dynamic and entrepreneurial company in the financial services industry, with the same client-centric ethos as Skyblue, and a product and capability set that closely aligns with that of Skyblue.

We are proud to announce that after successful due-diligence and negotiations, Efficient Group acquired 100% of the business of Skyblue on 1 March 2020. Skyblue joins Efficient's cluster of multi-manager businesses that include Naviga Financial Services, Boutique Investment Partners, Select Manager and others, who collectively manage and oversee in excess of R50 billion of clients' investments.

The core team from Skyblue – Kevin Sutcliffe, Arno Smit, Eben Louw and Christiaan van Wyk – join a team of twenty investment professionals and technical support personnel in the Efficient multi-manager cluster who are all focused on looking after the savings and investments of our clients.

Efficient Group brings its financial capability and extensive human, and capital, resources to the Skyblue team and clients in these challenging times and ensures continuity of business services to the loyal Skyblue clients. The investment and client service processes of Skyblue have already been aligned and incorporated into that of Efficient Group and we are proud to report that the integration has been smooth and without any disruption.

A team change, to take note of, is that Lynette Prinsloo elected to pursue her interest in tax matters, and will retain her shareholding in, and work on behalf of, Skyblue Tax Services and therefore remain with the Skybound group.

Who is Efficient Group?

Efficient Group (www.efgroup.co.za) was established in 2002, primarily as an asset management company. Today, Efficient Group is a diversified financial services group focused on professional advice, quality services and tailor-made investment products across the financial services value chain. It provides these through a three-pillared organisational structure, namely a financial services cluster, a solutions cluster and an investments cluster.

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Efficient Group is a leading asset management and advisory firm providing a range of solutions to the investment management industry, including asset administration services, asset management services, financial products distribution, and professional financial advice to both retail and institutional investors in South Africa. It operates the largest co-branded asset administration platform in South Africa, Boutique Collective Investments (BCI), which enables wealth managers and financial advisors to offer a range of investment funds to their clients. In addition, Efficient Group employs 409 people and has a network of more than 200 registered financial advisors servicing over 72,000 clients across South Africa.

Efficient Group has recorded significant growth in recent years, with assets under its control (administered, managed, consulted, or advised on) growing from R7.5 billion in November 2013 to approximately R200 billion at present. Efficient Group has benefited from the rapid growth of boutique asset managers in South Africa, which drove the increase of both assets administered and consulted on, and the superior client service and attractive pricing of its products to build a strong position in its target markets.

We realise that change leads to uncertainty. For this reason, we want to assure each and every client that it remains business as usual and that the capabilities and services available to Skyblue clients are greatly enhanced as a result of the transaction we concluded. Our foremost considerations are always the well-being of clients, the company, its personnel and associates.

We look forward to the opportunities and benefits this transaction between Skyblue Fund Managers and Efficient Group brings and will continue to keep you informed of any notable developments.

Members of the Skyblue team will be in contact with you over the next number of months and will also be introducing you to the Efficient team members with whom they will be working.

If you have any questions you are very welcome to contact Arno Smit (on arno@skybluefm.com) or Kevin Sutcliffe (on kevin@skybluefm.com).



Kevin Sutcliffe
Skyblue team



Heiko Weidhase
Efficient Group