PRIME INVESTMENTS

MAZI CAPITAL PRIME AFRICA EQUITY FUND

(Class A)

July 2018

Mazi Investment Pedigree

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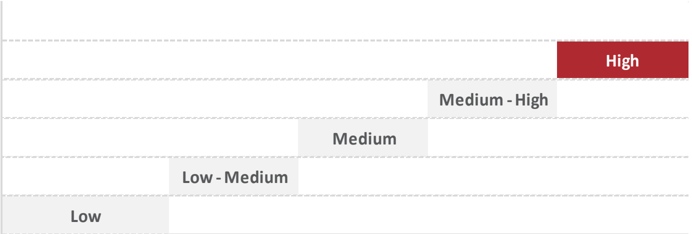
Investor Risk Profile



Fund Facts

Classification	Regional - Equity - General	
Benchmark	MSCI EFM Ex ZA	
Inception Date of Fund	05 July 2017	
Inception Date of Class	05 July 2017	
Total Portfolio Size	1189.3 M	
NAV price	Launch	88.31 (cpu)
	31-Jul-18	92.61 (cpu)
JSE code	MCAFCA	
ISIN number	ZAE000208674	
Income Declaration	February, August	
Valuation	Valuation time	22h00 (daily)
	Dealing cut-off	14h00 (daily)
Payment	3rd working day of Mar/Sep	
Minimum Initial Investment	R5 000 lump sum	
	R500 debit order	
Reg. 28 Compliant	No	
Issue date	20 August 2018	

Portfolio Income in Cents Per Unit (cpu)

Distribution	Dividend	Interest	Other	Total
Feb-18	0.2318	0.0005	0.0000	0.2322
Aug-17	0.0843	0.0000	0.0000	0.0843

NAV Values	May-18	Jun-18	Jul-18
Fund Units	1 277 462 504	1 277 461 921	1 277 995 279
Fund NAV	R 1 164 670 620	R 1 269 306 454	R 1 189 275 049
Class NAV	R 11 746	R 12 794	R 11 968

**All figures have been rounded to the nearest Unit and Rand*

Mandate Compliance

The Fund remains within the reporting fund regime as at the date of this report.

Portfolio profile

The Mazi Capital Prime Africa Equity Fund is a Regional general equity portfolio that seeks to sustain high long-term capital growth.

Fund Objective

The portfolio may invest in listed and unlisted equity securities, preference shares, property securities, listed and unlisted financial instruments and assets in liquid form. The portfolio's equity exposure shall always exceed 80%. The portfolio shall give investors at least 80% exposure to assets in Africa Ex South Africa. Nothing shall preclude the manager from varying the ratios of securities or assets in liquid form in changing economic environment or market conditions to meet the requirements of legislation or from retaining cash or placing cash on deposit. The manager shall reserve the right to close the portfolio to new investors.

Limits and Constraints

- Maximum exposure limits as per the ASISA fund classification structure.
- No exposure to South African Assets.
- The portfolio equity exposure will always exceed 80% with the balance, if any, invested in assets in liquid form.

Total Investment Charges

Period (annualised): Mar 17 to Feb 18

Total Expense Ratio (TER) 1.14%

Expenses related to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not be necessarily be an accurate indication of future TER's.

Transaction Costs (TC) 1.00%

Costs relating to the buying and selling of the assets underlying the Financial Product

Total Investment Charges (TIC) 2.14%

Transaction costs are a necessary cost in administering the Financial Product and impacts Financial Product returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the Investment decisions of the investment manager and the TER. Inclusive of the TER of 1.14%, a performance fee of 0.00% of the net asset value of the class of the Financial Product was recovered.

Portfolio Fees

Management Fee	0.15% (excl. VAT)
Performance Fee	N/A
Advisory Fee	N/A
Investment Management Fee	1.25% (excl. VAT)

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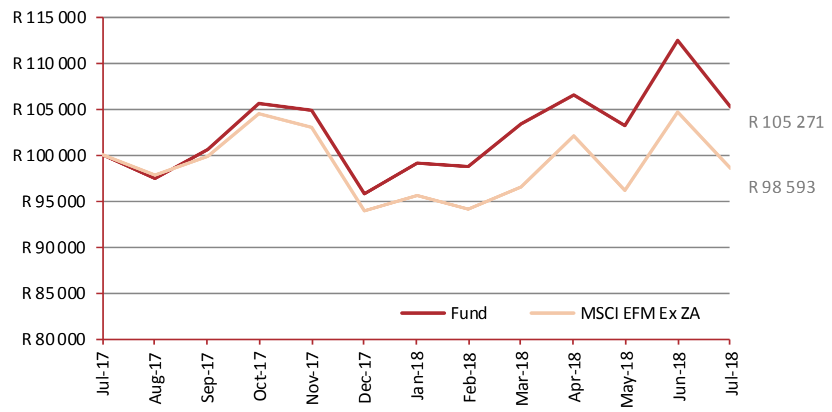
Fund Performance

Growth of a R 100 000 Investment



** The graph reflects the performance of a lump suminvestment.*

Top 10 Holdings	Exposure
Commercial Int'l Bank of Egypt	13.13%
Safaricom Ltd	8.89%
Guaranty Trust Bank	8.35%
Zenith Bank Plc	5.35%
Attijariwafa Bank	4.66%
MCB Group Ltd	4.61%
Equity Group Holdings Ltd	4.47%
Eastern Company	4.31%
Marcov Telecom	4.22%
Kenya Commercial Bank Ltd	4.19%

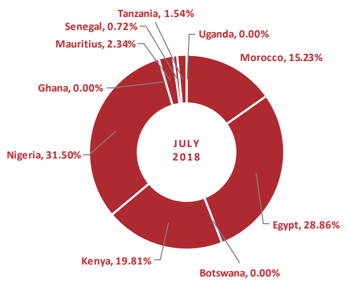
	July-2018		June-2018		May-2018	
Period	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
1 Month	-6.38%	-5.83%	8.84%	8.79%	-3.03%	-5.70%
3 Months	-1.19%	-3.40%	8.63%	8.43%	4.49%	2.30%
6 Months	6.10%	3.04%	17.31%	11.45%	-1.53%	-6.68%
YTD	9.83%	4.95%	17.31%	11.45%	7.78%	2.45%
1 Year	5.27%	-1.41%				
2 Years						
3 Years						
5 Years						
Since Inception	5.27%	-1.41%	12.45%	4.70%	3.31%	-3.76%

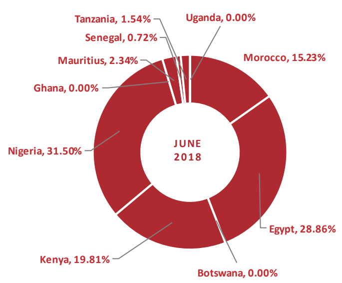
* Returns above one year are annualised; ** Fund Returns are net of fees

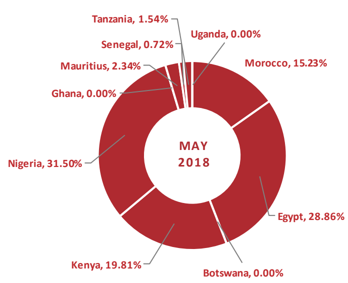
Monthly Performance		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund	2018	3.51%	-0.35%	4.69%	2.93%	-3.03%	8.84%	-6.38%						9.83%
Benchmark	2018	1.85%	-1.68%	2.64%	5.70%	-5.70%	8.79%	-5.83%						4.95%
Fund	2017								-2.57%	3.26%	4.99%	-0.67%	-8.64%	-4.15%
Benchmark	2017								-2.06%	2.09%	4.50%	-1.30%	-8.90%	-6.06%

Asset Class Returns	Jul-18
ALSI (TR)	-0.25%
ALBI (TR)	2.42%
CASH	0.59%
ZAR/USD	13.10

Geographical Allocation







Fund Commentary

The Market

The African markets disappointed over the last quarter. Zimbabwe, Tunisia and Malawi were the only markets that produced positive returns. The African markets performance were negatively impacted by global trade wars between the United States of America (USA) and China; and by global risk aversion as capital flowed back to the United States due to rising interest rates.

In West Africa, the Ghana market led the downside with the losses of -21.6% in US$ terms for the quarter, retracting the excellent performance achieved in the first quarter. The Nigerian market was down -8.1% in US$, driven by material declines in the Banking sector, which was down by 8.9%, whilst Industrial, Consumer and Oil & Gas sectors declined by 7.5%, 3.4% and 2.7% respectively. The Nigerian economy is recovering well from the oil induced recession experienced in 2016; however, it is still operating well below its potential. The establishment of the alternative foreign exchange has improved access to much needed foreign currency which is needed for imports of raw materials. The imported raw materials are used locally in the production of goods and services.

The North African market was driven down primarily by Morocco and Egypt, whilst Tunisia was up +4.1% for the quarter. Egypt continued to push ahead with subsidy reforms; this time around by further increasing gas, fuel and electricity prices by 30%, 30% and 40% respectively. Though the increases in energy prices will have a negative impact on the inflation numbers in the short run, the long-term benefits of an agile fiscal regime outweigh the short term inflationary pain. The gas production ramp-up at the Zohr field, continued strong recovery in tourism and construction, where public investment in mega projects has been a key factor will continue to drive overall economic performance. The Moroccan market continued to de-rate by contracting 11.8% (in US$) for the quarter. The Dirham depreciated 3% against the US dollar over the quarter.

The Kenya market sold off markedly during the quarter, returning -11.2%. The main driver of poor performance were the telecoms, Consumer and the Banking sectors. The uncertainty concerning the shape of rate cap repeal weighed-in on the banking shares. We are confident that the rate cap will be repealed; however, lending rates may not revert to pre-rate cap levels. The Kenyan economy printed a 5.8% GDP growth in quarter one, which indicated a strong recovery from the election hangover. The Tanzanian market was down 5.9% for the quarter. The Tanzania market has not performed well since the new president initiated a corruption busting drive which has stalled the economy as government officials have stopped making decisions for fear of being charged with corruption.

In Southern Africa, the Zimbabwean market performed very well returning 17.8%. Liquidity is very still tight in Zimbabwe despite the positive political developments. Market participants returned to buying equities and other hard assets as the probability of holding free and fair elections faded. The rhetoric from the new government has somewhat changed i.e. compensation for white farmers whose land was expropriated seems to be on hold, the attempt on the life of the current president has raised concerns about the possible return of the securocrats to the political scene and the participation of the army in the recent rally confirmed those fears. Company valuations are still high in Zimbabwe; however, we are monitoring the market closely for opportunities.

Fund Performance and Attribution

The Mazi Africa Fund returned 9.0% gross of fees over the quarter compared to the benchmark return of 8.1% in ZAR. The fund's benchmark is the MSCI EFM ex ZA index. Fund performance was primarily driven by exposures to Egypt, Kenya and Mauritius. Exposure to Egyptian Health Care, Industrial and Property sectors contributed positively to performance. The fund's exposure to Kenya which contributed positively to performance can largely be attributed to the fund's exposure to telecoms and banking shares. Other positive contributors to fund performance included exposures to Mauritian Banks and US dollar cash.

Outlook

In Egypt, growth is expected to pick-up strongly in 2018 as local private sector investment and Foreign Direct Investment (FDI) returns to the market. Inflation is dropping precipitously and we expect the Central Bank of Egypt to drop interest rates during the cause of the year. We expect the Egyptian pound to strengthen into 2019 or at worst remain stable for the remainder of the year. The tourism market is recovering from the slump post the Russian plane crash.

The Nigerian economy is recovering from an oil price induced slow-down albeit remains below its potential. Improvement in oil output, oil price stability, foreign exchange reserve improvements and foreign exchange liquidity are all adding to economic recovery.

Kenya is recovering from an election hangover that has dragged economic activity down for a year. The rhetoric from the government is that the rate caps will be amended to allow banks to price appropriately for risk. This is good for banks' profitability and for general economic activity. We expect private sector credit growth to pick up in the latter part of 2018 and onwards.

In the short-term, the Moroccan economy will continue to experience volatility due to higher exposure to the agricultural sector, however, we are of the view that this will change in the medium term as higher value sectors like aerospace and automotive sectors start to contribute meaningfully to economic activity.

Strategy

We remain focused on looking at respective fundamentals of companies, and therefore do not let macro-economic analysis drive individual stock selection. We utilise macro-economic assessment as a risk tool to guide us in thinking about overall gross and net exposures. We continue to re-evaluate our individual stock investment ideas to ensure our thesis are not stale. We believe that it is the consistency of our investment process, rather than any style that will drive returns over time.

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