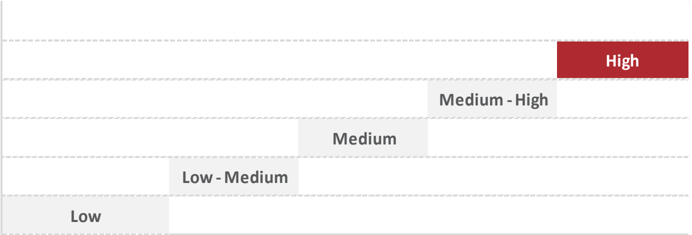
MAZI ASSET MANAGEMENT PRIME AFRICA EQUITY FUND

(Class A)

November 2018

Links | Fund Objectives and Key Facts | Fund Performance | Portfolio Commentary | Contact Details and Disclaimer

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	1113.5 M	
NAV price	Launch	88.31 (cpu)
	30-Nov-18	84.74 (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	30 December 2018	

Portfolio Income in Cents Per Unit (cpu)

Distribution	Dividend	Interest	Other	Total
Aug-18	1.8281	0.0000	0.0000	1.8281
Feb-18	0.2318	0.0005	0.0000	0.2322

NAV Values	Sep-18	Oct-18	Nov-18
Fund Units	1 309 767 626	1 309 766 997	1 309 766 657
Fund NAV	R 1 195 935 845	R 1 198 161 338	R 1 113 537 544
Class NAV	R 12 020	R 12 031	R 11 407

**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

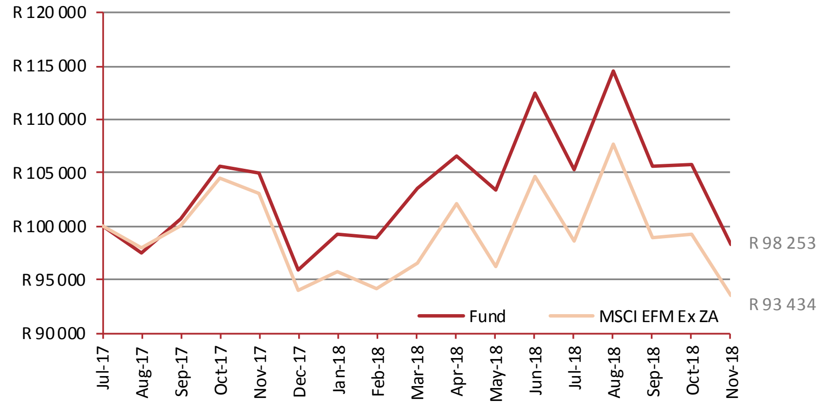
Management Fee	0.15% (excl. VAT)
Performance Fee	N/A
Advisory Fee	N/A
Investment Management Fee	1.25% (excl. VAT)

MAZI ASSET MANAGEMENT PRIME AFRICA EQUITY FUND
(Class A)

November 2018

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	14.11%
Guaranty Trust Bank	9.37%
Safaricom Ltd	8.30%
Zenith Bank Plc	6.02%
MCB Group Ltd	5.76%
Attijariwafa Bank	4.91%
Marcov Telecom	4.64%
Nestle Nigeria PLC	4.13%
Equity Group Holdings Ltd	4.05%
Kenya Commercial Bank Ltd	3.88%

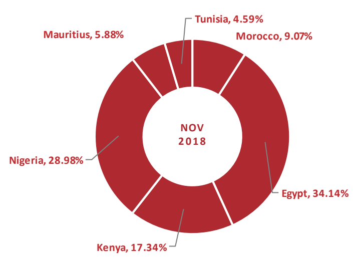
	November-2018		October-2018		September-2018	
Period	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
1 Month	-7.07%	-5.85%	0.11%	0.36%	-7.78%	-8.17%
3 Months	-14.21%	-13.23%	0.43%	0.66%	-6.08%	-5.55%
6 Months	-4.90%	-2.91%	-0.76%	-2.76%	2.03%	2.41%
YTD	2.50%	-0.54%	10.30%	5.64%	10.18%	5.26%
1 Year	-6.35%	-9.40%	0.10%	-5.01%	4.98%	-1.10%
2 Years						
3 Years						
5 Years						
Since Inception	-1.75%	-6.57%	5.73%	-0.76%	5.61%	-1.11%

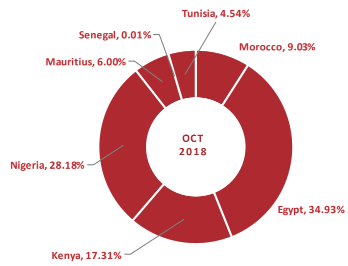
* Returns above one year are annualised; ** Fund Returns are net of fees

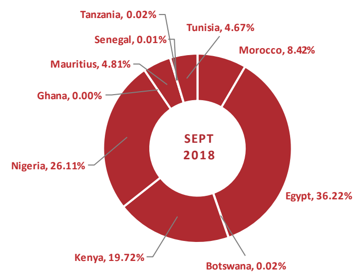
Monthly Performance		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund	2018	3.51%	-0.35%	4.69%	2.93%	-3.03%	8.84%	-6.38%	8.79%	-7.78%	0.11%	-7.07%		2.50%
Benchmark	2018	1.85%	-1.68%	2.64%	5.70%	-5.70%	8.79%	-5.83%	9.22%	-8.17%	0.36%	-5.85%		-0.54%
Fund	2017								-2.57%	3.26%	4.99%	-0.67%	-8.64%	-4.15%
Benchmark	2017								-2.06%	2.09%	4.50%	-1.30%	-8.90%	-6.06%

Asset Class Returns	Nov-18
ALSI (TR)	-3.17%
ALBI (TR)	3.87%
CASH	0.58%
ZAR/USD	13.87

Geographical Allocation







Fund Commentary

The Market

The African markets performed poorly over the last quarter with Zimbabwe, Mauritius and Rwanda being exceptions, producing positive returns. The markets' underperformance can be explained, among others, by the global risk aversion as capital flowed back to the United States due to rising interest rates.

In West Africa, the Nigerian market was the hardest hit, declining 14.8% for the quarter. We believe this poor performance was driven by the significant decline in the banking sector triggered by the Central Bank of Nigeria's fining some banks and MTN for expatriating dividends unlawfully. The BRVM market declined 10.7% in US$ whilst the Ghanaian market was relatively firmer, declining only 2.2% for the quarter.

North Africa printed negative performance for the quarter, with Egypt, Tunisia and Morocco down 13%, 9.6% and 4% respectively. The Egyptian market performance was driven by global risk aversion sentiments rather than country specific risks; whilst Tunisia faced internal economic and currency challenges. As expected during turbulent times in Africa, the Moroccan market held up quite well relative to other markets during the quarter.

The sell-off in Kenya continued in the third quarter and was exacerbated by retention of rate caps and an ever increasingly hostile investment environment. The Kenyan government introduced new taxes and increased existing ones. Ugandan and Tanzanian markets were down by 11.1% and 8.3% respectively.

In Southern Africa, Zimbabwe continued to perform very well returning 9.7% for the quarter. Liquidity is very still tight in Zimbabwe despite the positive political developments. Market participants continued to bid equities higher amid heightened fiscal and political risk.

Fund Performance and Attribution

The Mazi Africa Fund declined 5.2% over the quarter compared to the benchmark return of -6.2% in ZAR. The fund's benchmark is the MSCI EFM ex ZA index. The main contributors to outperformance were our underweight exposures to Nigeria Breweries, Global Telecoms and overweight positions in Taqa Maroc, GB Auto, Label Vie and Credit Agricole respectively. The main performance detractors were underweight positions in Maroc Telecom, BCP, Lafarge Holcim, Attijariwafa, and our overweight position in Palm Hills. Palm Hills announced a rights issue at more than 50% discount to the share price, the rights issue is to fund expansion projects.

Outlook

In Egypt, growth is expected to pick-up strongly in 2018/19 as local private sector investment and foreign direct investment (FDI) return to the market. We expect inflation to be benign going forward and a further interest rate cut by the Central bank of Egypt. We expect the Egyptian pound to strengthen or at worst remain stable for the foreseeable future. The tourism market is recovering from the slump post the Russian plane crash.

Nigeria is recovering from an oil price-induced slowdown albeit below its potential. Improvement in oil output, oil price stability, foreign exchange reserve improvements and foreign exchange liquidity are all adding to economic recovery. Key risks remain political rhetoric leading to elections and the erratic government decisions i.e. CBN and Attorney General's decisions to institute fines on MTN.

Kenya is recovering from an election hangover that has dragged economic activity down for a year. The parliament of Kenya has decided to keep interest rate caps which we believe will impede economic activity. The plethora of taxes introduced recently is also likely to have a negative impact on the consumer and general economic activity in the short term. Increased government revenues, if invested wisely, will have a long-term positive economic impact in Kenya. Strong and innovative companies like Safaricom and Equity Bank will be the winners in the long term.

Morocco, in the short-term, 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.

Zimbabwe seems to be on the mend……, but is it? A new government is in place, a credible finance minister has been appointed and it looks like practical steps are being taken to address structural economic problems (i.e. de-dollarization, reducing the public wage bills, etc.). We are of the view that foreign direct investment will return to Zimbabwe and lead to a significant improvement in liquidity. The improvement in liquidity will likely lead to a de-rating in companies. Company valuations have been driven higher by fear of cash losing value rather than fundamentals, hence our view is that the investors who are trapped will look to take profits and reallocate cash somewhere else when they get liquidity.

Strategy

The fund is currently overweight Egypt, Nigeria and Kenya and significantly underweight Morocco. We continue to search for investment opportunities in companies that we believe are well positioned to benefit from Africa's growth opportunities. We remain focused on looking at respective fundamentals of companies, and therefore do not let macro-economic analysis over-shadow 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 theses don't become stale. We believe that it is the consistency of our investment process, rather than any style that will drive returns over time.

Prime Collective Investment Schemes Management Company (RF) (Pty) Ltd
www.primeinvestments.co.za

+27 (0)10 594 2100
+27 (0)86 642 1880
save@primeinvestments.co.za

1st Floor, Building B,
Hurlingham Office Park,
59 Woodlands Ave, Hurlingham Manor,
Sandton

PostNet Suite 208,
Private Bag X9,
Benmore, 2010

Mazi Asset Management (Pty) Ltd
www.mazi.co.za

+27 (0)10 001 8300
+27 (0)10 001 8339
info@mazi.co.za

90 Rivonia Road
(Cnr. Rivonia Rd and Katherine Street)
North Wing, 4th Floor

An authorised financial services
provider (**FSP No:** 46405)
Registration no.:2012/012860/07

Fund Contact Details

Custodian/Trustee
Societe Generale Security Services
+27 (0)11 448 8800

Portfolio Managers
Malungelo Zilimbola — BSc (Hons) Quantity Surveying, BCom (Hons) Finance
Asanda Notshe — BBusSci (Actuarial Science), FIA , FASSA

Disclaimer

This is a minimum disclosure document and a general investor report. Collective Investment Schemes are generally medium to long term investments. The value of participatory interests may go down as well as up. The manager retains full legal responsibility for the third- party-named portfolio. The manager does not provide any guarantee either with respect to the capital or the return of a portfolio. Past performance is not necessarily an indication of future performance. CIS's are traded at ruling prices and can engage in borrowing and scrip lending. Different classes of units apply to these portfolios and are subject to different fees and charges. A schedule of fees and charges and maximum commissions is available on request from the manager. The manager has a right to close portfolios to new investors in order to manage them more efficiently in accordance with their mandates. Commission and incentives may be paid and if so, will be included in overall costs. Forward pricing is used. The manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Income is re-invested on the re-investment date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Dealing prices are calculated on a net asset value and auditor's fees, bank charges and trustee fees are levied against the portfolios. Performance is calculated for the portfolio, as well as that the individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Income distributions are included in the performance calculations prior to deduction of applicable taxes. Performance numbers and graphs are sourced from Collective Endeavours Consulting (Pty) Ltd. NAV to NAV figures have been used. The investment performance is for illustrative purposes only. The investment performance is calculated after taking the actual initial fees and all ongoing fees into account. The reinvestment of income is calculated on the actual amount distributed per participatory interest by using the ex-dividend date NAV price of the applicable class of the portfolio, irrespective of the actual reinvestment date. Risk profile of the fund ranges from low risk to high risk with a low risk potentially associated with lower rewards and a high risk with potentially higher rewards. Foreign securities may be included in the portfolio from time to time and as such may result in the following: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks and potential limitations on the availability of market information. The daily cut off time is 14:00 for trades and the valuation point is 22:00. Prices are published on Finswitch by 10:00 daily. One can also obtain additional information on Prime products on the Prime CIS website and all price related queries or information is readily available on request. Prime Collective Investment Schemes Management Company (RF) (Pty) Ltd is a registered Collective Investment Scheme Manager in terms of Section 5 of the Collective Investment Schemes Control Act and is a wholly owned subsidiary of Prime Financial Services (Pty) Ltd, a member of ASISA.