GENERAL INFORMATION

Fund Inception Date 31/03/2014
A Class Unit Inception Date 31/03/2014
Fund Size 61,764,817
Month End Price 11.0100
Sector ASISA SA Equity General
Domicile South Africa
Initial Fee 0.00
Management Fee (Class A)* 0.65
Total Expense Ratio** 1.07
Performance Fee Benchmark*** FTSE/JSE All Share
JSE Ticker REEF
ISIN ZAE000189692
Risk Rating Aggressive

FUND DESCRIPTION

This Fund’s emphasis is on active stock selection and will remain at least 80% invested in South African equities at all times.

The mandate is not restricted to any specific investment style. The investment strategy is underpinned by extensive research making use of both qualitative and quantitative measures. The focus is predominantly on individual stock selection. However, macro-economic considerations such as interest rates and the performance of the Rand also play an integral part in constructing the Portfolio.

INVESTMENT PHILOSOPHY

Meticulous, concentrated share selection enables the Rezco Equity Fund to be less correlated to the overall market and enables the Fund to potentially generate superior performance for investors. Our stock selection strategy focuses on domestic companies with strong earnings growth records, sustainable revenue streams, relatively low borrowings and trading at a reasonable price.

By identifying companies which combine these features, Rezco is able to undertake in-depth research required to select new shares for the portfolio which can achieve a secure balance between risk and growth.

OBJECTIVE AND BENCHMARK

To provide investors with capital growth over the long-term. The objective is to aim to achieve returns well in excess of the FTSE/JSE All Share index, measured over three year periods. The Manager does not make any guarantees concerning the capital or return of the Fund.

ANNUALISED PERFORMANCE

Peer Group: ASISA SA Equity General

<table>
<thead>
<tr>
<th></th>
<th>6 Months</th>
<th>1 Year</th>
<th>2 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Fund</td>
<td>0.5%</td>
<td>-6.1%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Peer group quartile</td>
<td>4</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Peer Group</td>
<td>-3.3%</td>
<td>-3.2%</td>
<td>2.3%</td>
</tr>
<tr>
<td>FTSE/JSE All Share</td>
<td>-3.2%</td>
<td>-3.4%</td>
<td>3.8%</td>
</tr>
</tbody>
</table>

*NAV-NAV, net of retail class A fees, with dividends reinvested

CALENDAR YEAR PERFORMANCE

<table>
<thead>
<tr>
<th>YTD</th>
<th>Worst Month</th>
<th>Best Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>-2.3</td>
<td>7.2</td>
</tr>
</tbody>
</table>

RISK AND DOWNSIDE PROTECTION

Time Period: 01/04/2014 to 31/10/2016

<table>
<thead>
<tr>
<th></th>
<th>Sortino Ratio</th>
<th>Std Dev</th>
<th>Max Drawdown</th>
<th>Sharpe Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Fund</td>
<td>0.1</td>
<td>11.1</td>
<td>-11.1%</td>
<td>0.1</td>
</tr>
<tr>
<td>FTSE/JSE All Share</td>
<td>0.0</td>
<td>19.2</td>
<td>-15.0%</td>
<td>0.0</td>
</tr>
</tbody>
</table>
**REZCO EQUITY FUND A**

**MINIMUM DISCLOSURE DOCUMENT As of 31/10/2016**

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**ASSET ALLOCATION**

<table>
<thead>
<tr>
<th></th>
<th>South African</th>
<th>Foreign</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>75.6</td>
<td>0.0</td>
<td>75.6</td>
</tr>
<tr>
<td>Listed Property</td>
<td>8.8</td>
<td>0.0</td>
<td>8.8</td>
</tr>
<tr>
<td>Bonds</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Commodities</td>
<td>0.7</td>
<td>0.0</td>
<td>0.7</td>
</tr>
<tr>
<td>Money Market</td>
<td>14.9</td>
<td>0.0</td>
<td>14.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0</strong></td>
<td><strong>0.0</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

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**GICS SECTOR ALLOCATION**

- **Consumer Discretionary**: 8.1%
- **Consumer Staples**: 13.8%
- **Energy**: 8.4%
- **Financials**: 28.2%
- **Industrials**: 11.0%
- **Materials**: 14.3%
- **Telecommunication Services**: 0.7%
- **Commodities**: 0.7%
- **Non-Equity**: 14.9%

* Listed Property is classified under Financials

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**TOP SHAREHOLDINGS**

Portfolio Date: 31/10/2016

<table>
<thead>
<tr>
<th>Company</th>
<th>% of Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sasol Ltd</td>
<td>8.4%</td>
</tr>
<tr>
<td>Discovery Ltd</td>
<td>6.5%</td>
</tr>
<tr>
<td>Afrimat Ltd</td>
<td>5.8%</td>
</tr>
<tr>
<td>Bidvest Group Ltd</td>
<td>5.5%</td>
</tr>
<tr>
<td>Kap Industrial Holdings Ltd</td>
<td>5.5%</td>
</tr>
<tr>
<td>AECI Ltd</td>
<td>5.4%</td>
</tr>
<tr>
<td>Bid Corp Ltd</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

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**INVESTMENT COMMITTEE**

**ROB SPANJAARD**

B.COM, CTA (PORTFOLIO MANAGER)

Rob started as an investment analyst with Lifegro/Momentum Asset Management and was later promoted to portfolio manager. He founded and listed Sovereign Foods growing turnover and profits by 25% p.a. for 15 years. Rob joined Wally at REZCO with the objective of establishing a consistently high performing unit trust company. The first unit trust was registered in 2004.

**WALLY GRAY**

B.SC, MBL, CUM LAUDE (CO-PORTFOLIO MANAGER)

Wally started his investment career at Gencor, and moved to the investment division of Nedbank. He became Executive Director of investments at Sage Holdings, directing the management of the Sage Unit Trust and Life insurance portfolios. In 1981 he left Sage & started REZCO.

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**INCOME DISTRIBUTIONS**

<table>
<thead>
<tr>
<th></th>
<th>Rands per Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-09</td>
<td>0.20638</td>
</tr>
<tr>
<td>2016-03</td>
<td>0.14389</td>
</tr>
<tr>
<td>2015-09</td>
<td>0.18730</td>
</tr>
<tr>
<td>2015-03</td>
<td>0.16120</td>
</tr>
<tr>
<td>2014-09</td>
<td>0.08025</td>
</tr>
</tbody>
</table>

*Dividends are declared semi-annually for the 6 month periods ending February and August

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**SPECIFIC FUND RISKS**

- **Concentration**: Investments may be primarily concentrated in specific areas, in terms of investment style, in individual holdings and/or in a number of other ways. This may mean the value of the Fund may decrease whilst more broadly invested funds might grow.

- **Equity investment**: The value of equities and equity-related investments may vary according to company prospects and future prospects as well as more general market factors. In the event of a company default, the owners of their equity rank last in terms of any financial payment from that company.

- **Third party operational**: The Fund’s operations depend on third parties. Investors in the Fund may suffer disruption or financial loss in the event of third-party operational failure. An example of this would be a systems failure within our administrator.

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**GLOSSARY**

- **NAV**: The Net Asset Value (NAV) represents the value of the assets of a fund less its liabilities.

- **Maximum drawdown**: The largest peak to trough decline during a specific period of an investment.

- **TER**: The Total Expense Ratio includes the annual management fee, performance fee and administrative costs but excludes portfolio transaction costs. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TERs.

- **Volatility**: The amount by which the performance of a fund fluctuates over a given period.

- **Sortino Ratio**: The excess return over the risk-free rate divided by the downside semi-variance, and so it measures the return to "bad" volatility. A large Sortino ratio indicates there is a low probability of a large loss.

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**Important Information**

**PRESERVING CAPITAL & CREATING WEALTH**

*While the portfolio manager will attempt to minimise risk, it is possible that the investor could incur losses, including the loss of principal invested.*

Unit trusts are medium to long term investments. The value of units may go down as well as up and past performance is not necessarily a guide to the future. Unit trusts are traded at ruling prices and may fluctuated since inception. A rating of Low represents the lower end of the risk scale with potentially lower rewards available whilst a rating of Aggressive reflects higher risk but potentially higher rewards.

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**ANNUALISED PERFORMANCE**

Annualised performance is the average return per year over the period.

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**NAV**

The Net Asset Value (NAV) represents the value of the assets of a fund less its liabilities.

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**RISK PROFILE**

A measure (Low, Moderate, Aggressive) of how much the value of a fund has fluctuated since inception. A rating of Low represents the lower end of the risk scale with potentially lower rewards available whilst a rating of Aggressive reflects higher risk but potentially higher rewards.

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**TOTAL EXPENSE RATIO**

TER includes the annual management fee, performance fee and administrative costs but excludes portfolio transaction costs. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TERs.

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