

Minimum Disclosure Document - 31 December 2019

Fund Performance: (figures are annualised)	Aylett Equity Prescient Fund - Class A1	JSE All Share TRI
1 Year	7.9%	12.0%
3 Years	6.2%	7.4%
5 Years	6.9%	6.0%
7 Years	10.4%	8.8%
10 Years	11.6%	10.8%
Inception	12.6%	10.7%
Highest 1 year return*	48.2%	48.3%
Lowest 1 year return*	-19.2%	-37.6%

*Highest and lowest consecutive 12-month returns since inception.

Fund Details:	
Market value	R2.07 billion
Offshore exposure	18%
Top 10 holdings (in alphabetical order)	AECL LTD ANGLO AMERICAN PLC BERKSHIRE HATHAWAY INC-CL B BHP GROUP PLC NEDBANK GROUP LTD REINET INVESTMENTS SCA REMGRO LTD ROYAL BAFOKENG PLATINUM LTD STANDARD BANK GROUP LTD TRANSACTION CAPITAL

Fund Facts:	
Fund target	To provide long term growth in both capital and income over time.
Fund category	South African Equity General
Inception	3 July 2006
Benchmark	JSE ALL Share TRI
Recommended term	Long term
Portfolio manager	Walter Aylett - Aylett & Company (Pty) Ltd
Management company	Prescient Management Company (RF) (Pty) Ltd
Fund auditors	KPMG
Fund trustees	Nedbank Investor Services. Tel: +27 11 534 6557

Fees & Minimums:													
Minimum	Lump sum: R5 000												
Investments	Debit order: R500												
Initial fees	None												
Annual management fee	Minimum: 1.15% (including VAT)												
A1 Class	Fees are class dependent: Calculated on the market value of the fund's assets, accrued daily and paid monthly.												
Total expense ratio	<u>Total TER of 1.19% comprised of:</u>												
A1 Class	<table border="0"> <tr> <td>Management fee</td> <td>1.15%</td> </tr> <tr> <td>Performance fee</td> <td>Not Applicable</td> </tr> <tr> <td>Other cost</td> <td>0.04%</td> </tr> <tr> <td>Total TER</td> <td>1.19%</td> </tr> <tr> <td>Transaction Costs</td> <td>0.23%</td> </tr> <tr> <td>Total Investment Charges</td> <td>1.42%</td> </tr> </table>	Management fee	1.15%	Performance fee	Not Applicable	Other cost	0.04%	Total TER	1.19%	Transaction Costs	0.23%	Total Investment Charges	1.42%
Management fee	1.15%												
Performance fee	Not Applicable												
Other cost	0.04%												
Total TER	1.19%												
Transaction Costs	0.23%												
Total Investment Charges	1.42%												

Income Distributions:	
Declaration & payment	Declared: Last business day of March annually. Distributed: By the 2nd working day after declaration date.
March 2019: 151.8 cpu	

Fund Investment Summary and Objectives

Our Investment Strategy and Philosophy

Shares are evaluated, not by a fluctuating ticker or a graph on a screen, but by what they represent, a certificate of ownership. We seek great businesses that are well run and managed, trading at a discount to their intrinsic value. We follow the adage that the return of an investment is determined not by the exit price but by the price one pays.

Fund Objective

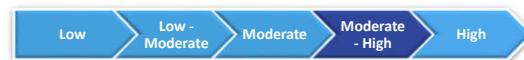
The Aylett Equity Prescient Fund is a general equity portfolio. The Manager in selecting securities for the portfolio will seek to follow an investment policy which will secure for investors an optimum overall return, that is to say the steady growth of income and the preservation of capital in real terms.

Fund Universe

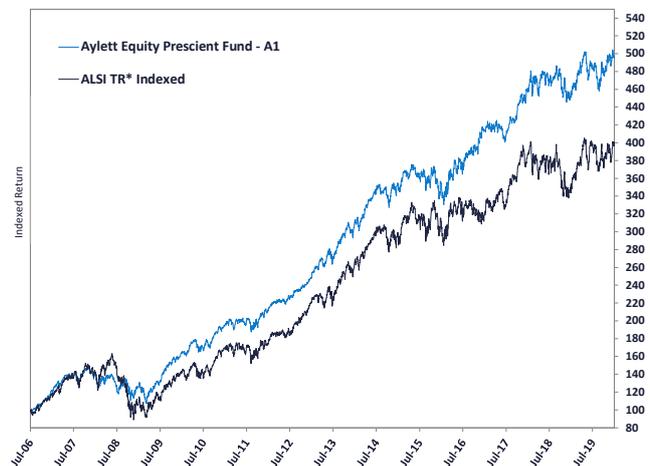
The Aylett Equity Prescient Fund is required to invest a minimum of 80% of the portfolio in equities at all times, with offshore asset exposure being limited to 30%.

Fund Risk Profile

The Fund has a moderate risk profile as it is actively managed across equities, cash and other listed assets both domestically and in foreign markets.



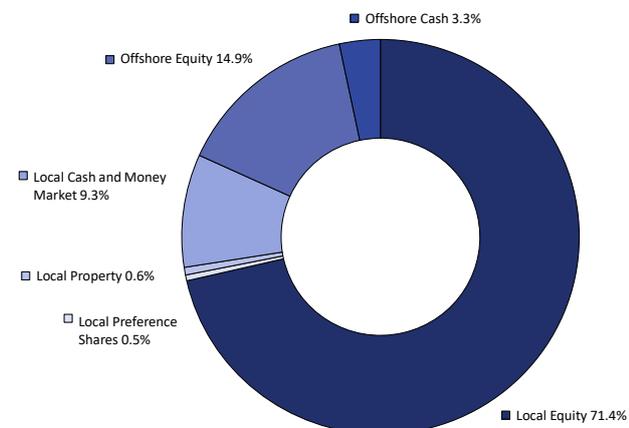
Aylett Equity Prescient Fund vs JSE All Share TRI



*Total Return Index is net of fees and assumes dividends and distributions are reinvested. Cumulative outperformance since inception is 98%. For illustrative purposes only.

Source: Bloomberg, inception to end 31 December 2019

Asset Allocation



Issued on: 24 January 2020

Minimum Disclosure Document - 31 December 2019

Fund Manager Commentary:

2019 was a quiet year for the Aylett Funds, with the Aylett Equity Prescient Fund underperforming its benchmark over the year by approximately 4%. We're not surprised by this after the outperformance in 2018.

We did make a few stock-specific mistakes which took the shine off an otherwise acceptable year. We refer you to previous factsheets for a more detailed discussion of what we got wrong.

There were however some success stories; our large position in Reinet performed well during the last quarter by adding just over 2% to the fund's performance as the market began to appreciate the rational capital allocation by Reinet management and to recognize the value of the underlying portfolio. Considerable research time has been applied to the Reinet investment, and it is pleasing to see the results.

We continue to allocate capital to South African exposed mid and small cap stocks. The market seems focused on the short-term prospects of these businesses, which reflect the weak and uncertain economy in South Africa, but we believe these assets are not easy to replicate, and their competitive positions are strong. Short-term results and share prices may be declining, but the long-term value remains intact.

Buying as share prices fall allows us to build positions at increasingly lower prices, but in the short-term, this hurts performance. While painful, this has been the pattern for many of our more successful past investments and is typical of our approach. It is not a contrarian strategy, but an investment philosophy based on being rational allocators of capital.

There is a lot of latent value in the fund and we are particularly excited about the prospects of our large positions, namely Reinet, Royal Bafokeng Platinum and Transaction Capital. As discussed above, the mid and small-cap stocks being added to the fund are good businesses being bought cheap.

We look forward to reporting back to clients over the next few years on the prospects of the portfolio.

Walter Aylett

31 December 2019

Equity Fund Risk Disclosure**Default risk:**

The risk that the issuers of fixed income instruments (e.g. bonds) may not be able to meet interest payments nor repay the money they have borrowed. The issuers credit quality is vital. The worse the credit quality, the greater the risk of default and therefore investment loss.

Derivatives risk

The use of derivatives could increase overall risk by magnifying the effect of both gains and losses in a Fund. As such, large changes in value and potentially large financial losses could

Developing Market (excluding SA) risk

Some of the countries invested in may have less developed legal, political, economic and/or other systems. These markets carry a higher risk of financial loss than those in countries generally regarded as being more developed.

Foreign Investment risk

Foreign securities investments may be subject to risks pertaining to overseas jurisdictions and markets, including (but not limited to) local liquidity, macroeconomic, political, tax, settlement risks and currency fluctuations.

Interest rate risk:

The value of fixed income investments (e.g. bonds) tends to be inversely related to interest and inflation rates. Hence their value decreases when interest rates and/or inflation rises.

Property risk:

Investments in real estate securities can carry the same risks as investing directly in real estate itself. Real estate prices move in response to a variety of factors, including local, regional and national economic and political conditions, interest rates and tax considerations.

Currency exchange risk:

Changes in the relative values of individual currencies may adversely affect the value of investments and any related income.

Geographic / Sector risk:

For investments primarily concentrated in specific countries, geographical regions and/or industry sectors, their resulting value may decrease whilst portfolios more broadly invested might grow.

Derivative counterparty risk:

A counterparty to a derivative transaction may experience a breakdown in meeting its obligations thereby leading to financial loss.

Liquidity risk:

If there are insufficient buyers or sellers of particular investments, the result may lead to delays in trading and being able to make settlements, and/or large fluctuations in value. This may lead to larger financial losses than expected.

Equity investment risk:

Value of equities (e.g. shares) and equity-related investments may vary according to company profits and future prospects as well as more general market factors. In the event of a company default (e.g. bankruptcy), the owners of their equity rank last in terms of any financial payment from that company.

Issued on: 24 January 2020

Minimum Disclosure Document - 31 December 2019

Disclaimer

Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. The CIS may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) 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 TER's. During the phase in period TER's do not include information gathered over a full year. Transaction Costs (TC) is the percentage of the value of the Fund incurred as costs relating to the buying and selling of the Fund's underlying assets. Transaction costs are a necessary cost in administering the Fund and impacts Fund 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 Fund, investment decisions of the investment manager and the TER.

The Manager retains full legal responsibility for any third-party-named portfolio. Where foreign securities are included in a portfolio there may be 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 investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. Please note that all documents, notifications of deposit, investment, redemption and switch applications must be received by Prescient by or before 13:00 (SA), to be transacted at the Net Asset Value price for that day. Where all required documentation is not received before the stated cut off time Prescient shall not be obliged to transact at the Net Asset Value price as agreed to. Funds are priced at 15:00 (SA). Prices are published daily and are available on the Prescient website.

Performance has been calculated using net NAV to NAV numbers with income reinvested. The performance for each period shown reflects the return for investors who have been fully invested for that period. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestments and dividend withholding tax. Full performance calculations are available from the Manager on request.

Risk Profile

Moderate - High:

- Generally, these portfolios hold more equity exposure than any other risk profiled portfolios. These portfolios therefore tend to carry more volatility.
- Expected potential long-term returns could be higher than other risk profiles, in turn potential losses of capital could be higher.

Glossary

Annualised performance: Annualised performance shows longer-term performance rescaled to a 1 year period. Annualised performance is the average return per year over the period. Actual annual figures are available to the investor on request.

Highest & Lowest return: The highest and lowest returns for any 1 year over the period since inception have been shown.

NAV: The Net Asset Value represents the assets of a Fund less its liabilities.

CPU: Cents per unit

Contact Details

Management Company:

Prescient Management Company (RF) (Pty) Ltd, Registration number: 2002/022560/07 Physical address: Prescient House, Westlake Business Park, Otto Close, Westlake, 7945 Postal address: PO Box 31142, Tokai, 7966. Telephone number: 0800 111 899. E-mail address: info@prescient.co.za Website: www.prescient.co.za

Prescient Management Company (RF) (Pty) Ltd. This portfolio operates as a white label fund under the Prescient Unit Trust Scheme, which is governed by the Collective Investment Schemes Control Act. Prescient is a member of the Association for Savings and Investments SA.

Trustee:

Nedbank Investor Services physical address: 2nd Floor, 16 Constantia Boulevard, Constantia Kloof, Roodepoort, 1709 Telephone number: +27 11 534 6557 Website: www.nedbank.co.za The Management Company and Trustee are registered and approved under the Collective Investment Schemes Control Act (No.45 of 2002).

Investment Manager:

Aylett & Company (Pty) Ltd, Registration number: 2004/034008/07 is an authorised Financial Services Provider (FSP No. 26/10/20513) under the Financial Advisory and Intermediary Services Act (No.37 of 2002), to act in the capacity as investment manager. This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No.37 of 2002). Please be advised that there may be representatives acting under supervision.

This document is for information purposes only and does not constitute or form part of any offer to issue or sell or any solicitation of any offer to subscribe for or purchase any particular investments. Opinions expressed in this document may be changed without notice at any time after publication. We therefore disclaim any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of, or which may be attributable directly or indirectly to, the use of or reliance upon the information.

Issued on: 24 January 2020