

Mosaic Flexible Prescient Fund

Minimum Disclosure Document

31 December 2018



Fund Classification

Fund classification	South African - Multi-Asset - Flexible
Benchmark	CPI + 6%
Risk profile	High

Investment Objectives

The fund is suitable for investors who are in pursuit of maximum long-term returns and can withstand short-term market turbulence. It is not appropriate for investors who are concerned about short-term capital losses or who want to generate income.

The fund has maximum flexibility in terms of asset allocation and shall not be precluded from continually varying the underlying exposure to both local and offshore assets.

A minimum time horizon of more than 5 years is advisable.

Investment Constraints

The fund invests in a diversified mix of assets, including equities, property, bonds, preference shares, money market and other financial instruments.

Maximum offshore exposure of 30% gross plus 10% gross in Africa.

General Information

Investment manager	Mosaic Invest (Pty) Ltd
Administrator	Prescient Management Company (RF) (Pty) Ltd
Trustee	Nedbank Investor Services
Auditor	KPMG
Launch	23 March 2016
Fund size	R26.1m
Minimum lump sum	R1000
Minimum debit order	R500 per month

Monthly Performance (%)

	Jan		Feb		Mar		Apr		May		Jun		Jul		Aug		Sep		Oct		Nov		Dec		YTD	
	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM
2016	-	-	-	-	-0.5	-0.2	0.1	1.7	1.6	1.8	-1.4	-3.0	-0.5	1.2	1.3	0.3	-0.8	-0.9	-0.4	-2.5	-0.1	-0.6	0.4	1.0	-0.5	-1.4
2017	0.5	4.3	0.4	-3.1	0.4	2.7	0.4	3.6	0.5	-0.4	0.5	-3.5	0.5	7.0	1.3	2.6	0.0	-0.9	4.0	6.3	-0.9	1.5	-5.5	-0.3	1.9	21.0
2018	-3.1	0.1	0.1	-2.0	-5.3	-4.2	2.7	5.4	-3.6	-3.5	-2.0	2.8	-1.0	-0.2	2.1	2.3	-4.4	-4.2	-4.0	-5.8	-0.3	0.7	-0.7	0.3	-18.1	-8.5

Major Positions (%)

Attacq Ltd	6.2
Metair Investments Ltd	5.9
Fortress Reit Ltd B	5.9
Texton Property Fund Ltd	5.7
Steinhoff Investment Holdings Ltd - Preference	5.6

Portfolio Income

Annual distribution (cents per unit)	Total
March 2018	3.68

Asset Allocation (%)

	SA	Foreign	Total
Equity	60.6	1.1	61.8
Property	27.6	0.0	27.6
Fixed income	0.0	0.0	0.0
Cash & money market	10.1	0.6	10.7
Total	98.3	1.7	100.0

Risk Statistics (%)

Highest annual return	9.2
Lowest annual return	-22.5



Fee structure

Investment management fee	1.25%
VAT	0.18%
Other fees	0.45%
Total expense ratio	1.87%
Transaction costs	0.07%
Total investment charge	1.94%

Benchmark amendment

The fund benchmark was amended from the FTSE/JSE All Share Total Return Index to CPI + 6% from 1 November 2018.

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 collective investment scheme 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 either 3pm or 5pm depending on the nature of the Fund. 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.

For any additional information such as fund prices, brochures and application forms please go to www.mosaic.co.za.

Risk guidance

High

Generally these portfolios hold more equity exposure than any other risk profiled 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.

Disclaimer for fund specific risk

Equity investment risk

Value of equities 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.

Property investment 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.

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.

Default risk

The risk that the issuers of fixed income instruments 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.

Glossary

Annualised performance: Annualised performance show 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.

Contact Details

Investment Manager

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PRESCIENT
MANAGEMENT COMPANY



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