

MAESTRO EQUITY PRESCIENT FUND



PRESCIENT
MANAGEMENT COMPANY

December
2014

Investment objective

The Maestro Equity Prescient Fund's objective is to produce above average long-term returns by investing in the South African equity market. It will simultaneously aim to assume less risk than the risk inherent in the market itself. The Fund adopts a conservative investment philosophy.

The Fund benchmark

The Fund will measure itself against the FTSE-JSE All Share Index.

Legal structure

The Fund is a scheme in the nature of a trust known as a collective investment scheme. The portfolio manager is Maestro Investment Management (Pty) Ltd, an approved Financial Services Provider in terms of the Financial Advisory and Intermediary Services Act, operating under licence number 739. This portfolio operates as a white label fund under the Prescient Unit Trust Scheme, which is governed by the Collective Investment Schemes Control Act.

Fee structure

The maximum initial fee is 2.0%. The annual investment management fee is 1.75%. The annual total expense ratio (TER) for period ended 30 September 2014, in respect of class A was 2.06%.

Income declaration (annually)

23.78 cents per unit
31 March 2014

Fund size

R131 337 154

NAV

Class A: 2966.28c

Management company

Prescient Management Company (RF) (Pty) Ltd
PO Box 31 142, Tokai, 7945

Trustee and auditor

Trustee: Nedbank Limited
Auditor: KPMG Inc.

Investment manager

Maestro Investment Management (Pty) Ltd

Enquiries

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Minimum Disclosure Document

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Market Overview

December saw volatility increase dramatically in global markets, as the continued declines in the oil price, dramatic weakening of the Russian rouble, and fears about the possibility of Greece leaving the Eurozone, all added to investors' negative sentiment. Sentiment changed sharply as investors took the view that the time horizon for the US Federal Reserve raising interest rates would be pushed out. Markets rallied into year end, reversing some of their sharp losses seen earlier in the month.

Looking at the performances of global markets in 2014, we saw another year of outperformance by developed market equities over emerging market equities, as the MSCI World Index rose 2.9% ahead of the MSCI Emerging Market Index, which fell 4.6% over the year. Within developed markets, the US led the gains with the S&P 500 Index rising 14.0% ahead of the Japanese Nikkei, which rose 7.1%, and Europe was the laggard with the German DAX gaining 2.7% and the UK FTSE 100 declining 2.7% for 2014. Within emerging markets, China's Shanghai index led the gains, rising 52.9%, India's BSE rose 29.9%, and Turkey's BIST100 gained 26.4%. The notable underperformers were the Brazilian Bovespa, which declined 2.9% and Russian RTS which fell 45.4%.

Commodities were weak over the year, with big declines seen in the bulk commodity space, as the price of coal fell 25.4% and iron ore declined 45.9%. Base metals had a mixed performance, as nickel and aluminium rose 7.4% and 2.6%

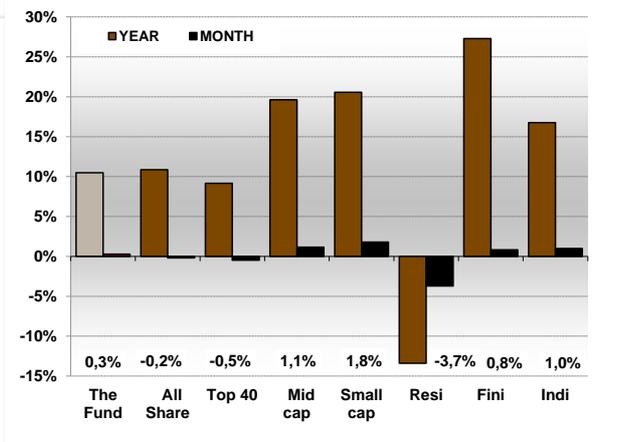
"To achieve great things, two things are needed; a plan, and not quite enough time."

- Leonard Bernstein



respectively, while copper declined 14.7%. Gold declined 0.2%, whereas platinum fell 10.6% and silver 19.3%. Brent crude oil declined a dramatic 47.7% in 2014.

Local market returns



Turning to the local equity market, resources underperformed both financials and industrials for the fifth year in a row, as commodity prices slumped. The basic materials index declined 13.5% over the year, substantially below the 16.8% and 27.3% gains in the industrial and financial indices. The gold index rose 13.5% over the year. The small and mid-cap indices rose 20.6% and 19.6% respectively, outperforming the Top40 index's gain of 10.9%. The All bond index rose 10.2% during 2014.

Investment manager comment

During December the Fund rose 0.3% versus the 0.2% decline in the All share index. The Fund rose 10.5% in 2014, only marginally behind the 10.9% gain in the Alsi. Over the past three years the Fund has returned an impressive 19.7% on

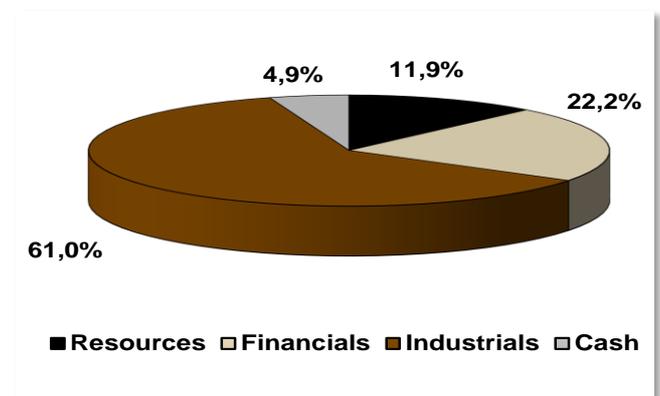
average per year ahead of the 19.5% of the Alsi.

The list of the Fund's star performers in 2014 include Onelogix, which rose 66.2%, Aspen gained 51.1%, Coronation 44.0%, Mr Price 43.5%, Naspers 38.2%, EOH 34.9%, Mediclinic 32.4% and Steinhoff 31.6%. There were, unfortunately, a few disappointments, with Billiton declining 23.2%, Grindrod 20.1%, WBHO 17.3% and City Lodge 13.9%.

Largest holdings

| Investment | % of Fund |
|----------------------------------|--------------|
| Steinhoff International Holdings | 7.7% |
| Aspen Pharmacare Holdings Ltd | 6.7% |
| Naspers Ltd | 6.6% |
| MTN Group Ltd | 6.4% |
| OneLogix Group Ltd | 4.5% |
| Sasol Ltd | 4.4% |
| Compagnie Financiere Richemont | 4.2% |
| MediClinic Holdings Ltd | 4.1% |
| Standard Bank Ltd | 3.9% |
| Mr Price Group | 3.9% |
| Total | 52.5% |

Asset allocation (% of Fund)



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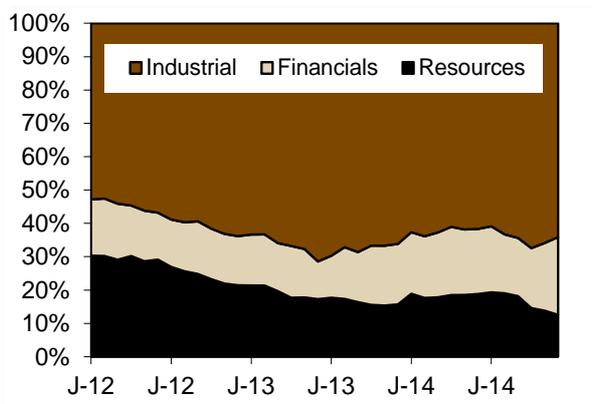


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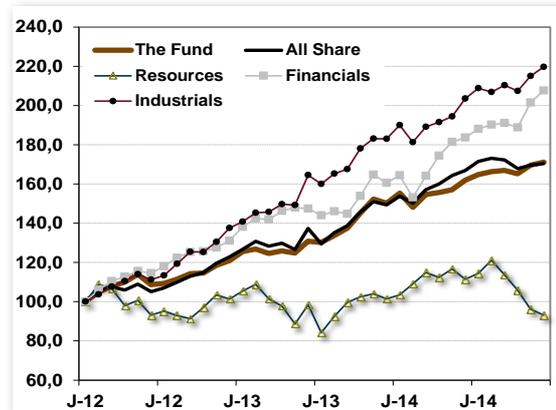
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During the month the Fund slightly reduced its holding in Onelogix and added a holding in Pivotal Property Fund.

Historic sector allocation (% of Equity)



Three-year historic performance



Monthly and annual average returns (%)

| Investment | 1 month | 1 year | 3 years | 5 years | 7 years |
|--------------------------------------|------------|-------------|-------------|-------------|------------|
| Maestro Equity Prescient Fund | 0.3 | 10.5 | 19.7 | 14.2 | 8.7 |
| FTSE-JSE All share index | -0.2 | 10.9 | 19.5 | 15.8 | 11.3 |

Calendar year performance (%)

| Investment | 2014 | 2013 | 2012 | 2011 | 2010 |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Maestro Equity Prescient Fund | 10.5 | 23.8 | 25.5 | -4.4 | 18.4 |
| FTSE-JSE All share index | 10.9 | 21.5 | 26.7 | 2.6 | 19.0 |

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. 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. A Money Market portfolio is not a bank deposit account and the price is targeted at a constant value. The total return is made up of interest received and any gain or loss made on any particular instrument; and in most cases the return will have the effect of increasing or decreasing the daily yield, but in the case of abnormal losses it can have the effect of reducing the capital value of the portfolio. The yield is calculated as a weighted average yield of each underlying instrument in the portfolio. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures and a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. A Fund of Funds is a portfolio that invests in portfolios of collective investment schemes, which levy their own charges, which could result in a higher fee structure for these portfolios. A Feeder Fund is a portfolio that invests in a single portfolio of a collective investment scheme which levies its own charges and which could result in a higher fee structure for the feeder fund. 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. Prescient is a member of the Association for Savings and Investments SA.