NEDGROUP INVESTMENTS

Prospectus

Nedgroup Investments Property Fund

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Contents

This Supplemental Prospectus forms part of, and must be read together with, the Prospectus of the Nedgroup Investments Collective Investment Scheme ("the Scheme"), the applicable Deed and Supplemental Deed of the Scheme, the relevant Minimum Disclosure Document ("MDD"), and the Investment Agreement entered into between the investor and the Manager.

This Supplemental Prospectus contains portfolio-specific information relating to the Nedgroup Investments Property Fund ("the Portfolio"). In the event of any inconsistency between this Supplemental Prospectus and the main Prospectus, the provisions of the main Prospectus, applicable legislation and the Deed shall prevail unless otherwise required by law.

The information contained herein has been derived from the applicable Minimum Disclosure Document.

1. The portfolio

The Nedgroup Investments Property Fund is a portfolio within the Nedgroup Investments Collective Investment Scheme and is classified by ASISA as a South African – Real Estate – General portfolio.

The benchmark of the Portfolio is the FTSE/JSE SA Listed Property Index.

The Portfolio is suitable for investors seeking long-term capital growth and income through exposure to listed property securities and who are able to tolerate a high level of investment risk and volatility. The recommended minimum investment horizon for the Portfolio is seven years.

2. Investment objective

The primary objective of the Portfolio is to provide an optimal overall yield comprising both income and long-term capital appreciation.

The Portfolio seeks to achieve this objective by investing primarily in listed real estate securities.

The Portfolio aims to provide investors with specialist exposure to the listed property sector while generating attractive income and long-term capital growth.

3. Investment policy

The Portfolio is managed as a specialist property portfolio investing primarily in listed real estate securities and collective investment schemes in property.

The Portfolio may include other high-yielding fixed interest and other securities but will maintain a minimum exposure of 80% to real estate securities.

The Portfolio may invest offshore as permitted by applicable legislation.

Derivative financial instruments may be utilised for efficient portfolio management and risk reduction purposes.

4. Risk profile

The Portfolio carries a high-risk profile and is intended for investors with a long-term investment horizon.

Listed property investments are volatile by nature and subject to potential capital loss.

The Portfolio may be exposed to property market risk, company-specific risk, economic risk and interest rate risk.

The Portfolio may also be affected by currency fluctuations arising from international exposure.

5. Distributions

The Portfolio distributes income on a quarterly basis.

Distributions may comprise rental income, dividends, interest income and other distributable amounts generated by the underlying assets of the Portfolio.

Investors may elect for distributions to be reinvested or paid out in accordance with the administrative processes of the Manager and the terms of the applicable Investment Agreement.

6. Investment manager

The appointed investment manager of the Portfolio is Merchant West Investments (Pty) Ltd.

Merchant West Investments, formerly known as Counterpoint Asset Management, is a subsidiary of Merchant West Holdings and is a multi-strategy asset management business.

The listed property investment team has extensive experience in analysing listed property companies and has managed the Nedgroup Investments Property Fund since its inception in 2010.

7. Investment philosophy

Merchant West Investments' investment process is grounded in rigorous primary research of listed property companies.

The Investment Manager evaluates the management of property companies and their ability to extract value from the underlying property assets they own.

The focus is on constructing a portfolio with a high initial yield and inflation-hedged income growth.

The Portfolio is diversified by property type, geographic exposure and management risk to improve risk-adjusted returns.

8. Fees and charges

The Portfolio is subject to management fees, operating expenses, transaction costs and other charges permitted in terms of applicable legislation and the Deed.

The annual management fee applicable to the Portfolio is disclosed in the applicable Minimum Disclosure Document.

The Total Expense Ratio (TER), Transaction Costs (TC) and Total Investment Charges (TIC) applicable to the Portfolio are disclosed in the applicable Minimum Disclosure Document and updated regularly by the Manager.

9. Performance reporting

Performance information relating to the Portfolio is published in the applicable Minimum Disclosure Document and updated monthly.

Such information includes annualised returns, cumulative performance, benchmark comparisons, rolling performance periods, risk measures and portfolio composition.

The latest Minimum Disclosure Document is available from the Manager upon request and on the Manager's website.

10. Valuation and pricing

The Portfolio is valued daily at 15:00 South African time in accordance with CISCA, the Deed and the valuation policies adopted by the Manager.

Instructions received prior to the applicable cut-off time will generally be processed at the ruling price applicable to that business day.

Prices are published daily through approved publication channels and on the Manager's website.

11. Important disclosures

Collective investment schemes are generally medium to long-term investments. The value of participatory interests may go down as well as up and investors may not receive back the full amount originally invested.

The Manager does not guarantee the capital or performance of the Portfolio. Past performance is not necessarily indicative of future results.

The Portfolio invests primarily in listed property securities and may therefore be exposed to property market, interest rate, liquidity, economic and foreign exchange risks.

Investors should read the main Prospectus, this Supplemental Prospectus, the applicable Minimum Disclosure Document, the Investment Agreement and all supporting disclosure documentation prior to making an investment decision.

NEDGROUP INVESTMENTS

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