



Fund Information

Composite Type: Constrained Specialist Equity

Inception Date: April 2016

Fund Size: R1 278 billion

Manager: Mazi Asset Management (Pty) Ltd

Contact Person: Asanda Notshe(Asanda@mazi.co.za)

Investment Objective: To sustain high long term capital growth.

Investment Approach

Our investment process is firmly rooted in fundamental analysis. Our approach is predominantly bottom-up and sector agnostic. Key investment criteria include:

- Quality of management;
- Good corporate governance and transparency;
- Cashflow and balance sheet strength;
- Business strategy and sustainability of business model.

Fund Performance Commentary - June 2025

The first quarter of 2025 ("Q1 25") saw a rebound in total returns for domestic equity. Within the Domestic Equity Asset class, a standout was the 28% return generated by the resources sector – primarily the precious metal shares.

Top Holdings 30 June 2025

	Sector:
NEPI Rockcastle NV	Real Estate
Growthpoint Properties Ltd	Real Estate
Redefine Properties Ltd	Real Estate
Fortress Real Estate A	Real Estate
Vukile Property Fund Ltd	Telecoms
Resilient REIT Ltd	Real Estate
Hyprop Investments Ltd	Real Estate
Equites Property Fund Ltd	Real Estate
MAS PLC	Real Estate
Sirius Real Estate Ltd	Real Estate

Trailing Returns

Data Point: Return Calculation Benchmark: FTSE/JSE SA Listed Property TR ZAR

	YTD	1 Year	3 Years	5 Years	Since Inception
Mazi Property Composite	14,10	25,50	20,49	16,79	2,40
FTSE/JSE SA Listed Property TR ZAR	10,87	23,95	19,85	16,64	2,03

Risk Statistics from Inception

	Return	Std Dev	Sharpe Ratio	Excess Return	Historical Tracking Error
Mazi Property Composite	2,40	20,86	-0,04	2,43	15,16
FTSE/JSE SA Listed Property TR ZAR	2,03	21,98	-0,09	0,00	0,00

Monthly Returns - Mazi Property Composite

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	BMARK
2025	-2,00	-0,38	-0,71	7,75	3,01	-0,72							6,82	51,6
2024	3,67	1,11	-0,83	-0,79	0,08	6,16	4,43	8,33	5,11	-2,78	1,20	0,43	28,74	29,0
2023	-0,93	-0,50	-3,38	5,34	-5,21	0,90	1,97	1,13	-4,08	-2,88	9,09	9,04	9,65	10,1
2022	-3,08	-3,53	5,59	-1,95	0,29	-10,13	8,73	-5,28	-6,68	12,07	6,77	0,87	1,21	0,5
2021	-3,02	7,68	1,33	12,37	-2,95	3,58	-1,21	7,77	-0,78	-2,05	2,02	7,96	36,21	36,9
2020	-3,91	-15,00	-32,99	5,87	1,28	9,44	-3,20	-7,52	-3,08	-9,54	18,50	12,38	-32,89	-34,5

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Market Commentary June 2025

Mazi Domestic Property Fund – quarterly commentary for the period ended 30 June 2025

Overview

Table 1 - Asset Class Total Returns expressed in Rands (%)

Asset Class Returns – ZAR (%)	Q3 24	Q4 24	Q1 25	Q2 25	LTM
Domestic Equity	9.6	- 2.1	5.9	9.7	24.6
Domestic Property	18.7	- 0.8	- 3.5	9.1	24.0
Domestic Fixed Income	10.6	0.4	0.7	5.9	18.4
Domestic Inflation Linked Bonds	4.8	0.8	0.7	0.9	7.4
Domestic Cash	2.1	2.0	1.9	1.9	8.1
Foreign Equity	0.7	8.5	- 3.7	7.9	13.6
Foreign Fixed Income	1.0	3.9	0.0	1.0	6.0
USD	- 5.6	9.5	- 2.5	- 3.4	- 2.7

Q2 25 saw a continuation of positive total returns for domestic asset classes, with domestic equity being the best performing sector.

For the LTM period to 30 June 2025, the standout asset classes (in Rands) were Domestic Equity, Domestic Property and Domestic Fixed Income.

Over the LTM period, those asset classes that failed to outperform Domestic Cash (as a risk free proxy, which returned 8.1%) included Domestic Inflation Linked Bonds and Foreign Fixed Income (in Rands). The USD was also 2.7% weaker than the Rand over the LTM period.

Property Review Q2 2025

The listed property sector delivered a strong performance in Q2 2025, with the ALPI returning approximately +10.7% for the quarter. Sector gains were front-loaded, driven by a broad-based rally in April (+7.6%), with momentum slowing into May (+3.0%) and reversing in June (-0.2%) amid bond market volatility and global macro uncertainty.

Despite a positive backdrop of earnings upgrades and continued operational resilience, some moderation in price action was expected after the sharp rally in 2024 and the pricing in of 2025 growth. Fading hopes of aggressive rate cuts and continued geopolitical uncertainty also weighed on sentiment later in the quarter.

The fund narrowly underperformed its composite benchmark over the quarter, delivering **+10.0% vs. +10.3%**, with relative outperformance concentrated in April and May.

- **April:** Fund +7.74% vs Benchmark +7.61%
- **May:** Fund +3.01% vs Benchmark +2.98%
- **June:** Fund -0.71% vs Benchmark -0.24%

Market Commentary June 2025

Performance attribution was supported by active overweight positions in Fortress B (FFB, +2.5%), Redefine (+2.9%), and Attacq (+2.3%) — all of which performed strongly on the back of operational improvements and investor interest in quality domestic real estate exposure. The fund increased its exposure to MAS Real Estate during the quarter, taking the position to neutral after a key event increased the relative risk the investment case.

The fund remains underweight Fairvest (-2.0%), Growthpoint (-1.7%), and Sirius Real Estate (-1.7%), which resulted in a lag in fund performance on a relative basis given decent performance from the stocks. There was strong performance from inward listed stocks such as Assura, Primary Healthcare Properties, Sirius and Shaftesbury, with the fund only holding an overweight position in Shaftesbury. This detracted from performance.

Several companies released results or trading updates during the period, including Growthpoint, Resilient, Hyprop, Attacq, Vukile, Fairvest, Stor-Age, and SA Corporate. Operational delivery was solid across the board, with a number of counters revising guidance higher and reporting positive earnings momentum — most notably Attacq, MAS, Hyprop, and Fortress. This points to a broadly improving operational environment for domestic property assets, even as valuations remain compressed.

Despite recent gains, the sector continues to trade at a ~30% discount to NAV, offering attractive medium-term upside for investors. Our focus remains on companies with sustainable free cash flow, credible management teams, and the ability to navigate an operating environment that is still some way off the heydays of mid-2010s.

The top ten active positions relative to our internal benchmark as at the end of the quarter are presented herein under:

Table 3 - Top Ten Active Positions Relative to ALPI Benchmark

Top 10 Overweight		Top 10 Underweight	
Name	OW (%)	Name	UW (%)
Redefine Properties Limited	2.92	Stor-Age Property REIT Ltd	-2.00
Fortress Real Estate Investments	2.48	Fairvest Limited Class B	-1.96
Attacq Limited	2.26	Growthpoint Properties Limited	-1.74
Vukile Property Fund	2.07	Sirius Real Estate Limited	-1.72
Spear REIT Ltd.	2.02	Burstone Group Limited	-1.57
Equites Property Fund Ltd ZAR	1.03	Hyprop Investments	-1.53
Hammerson plc	0.62	Supermarket Income REIT	-0.83
Resilient REIT Limited	0.53	Assura PLC	-0.80
NEPI Rockcastle N.V	0.28	Primary Healthcare Properties	-0.77
Shaftesbury PLC	0.24	Emira Property Fund	-0.71