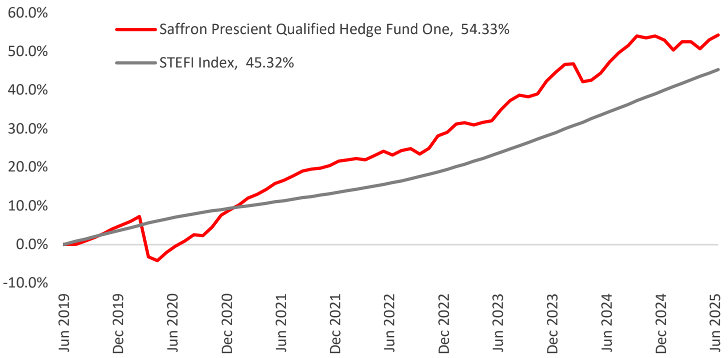
SAFFRON PRESCIENT QUALIFIED HEDGE FUND ONE

The fund was previously named Saffron Sanlam Collective Investments Qualified Hedge Fund One
Class A l Minimum Disclosure Document & General Investor Report
As at 30 June 2025

Fund Performance

Since inception cumulative performance graph



Monthly %	Jul'24	Aug'24	Sept'24	Oct'24	Nov'24	Dec'24	Jan'25	Feb'25	Mar'25	Apr'25	May'25	Jun'25
Fund	1.69	1.19	1.65	-0.35	0.35	-0.70	-1.69	1.42	0.06	-1.22	1.54	0.83
Benchmark	0.74	0.67	0.69	0.68	0.63	0.69	0.66	0.59	0.64	0.61	0.61	0.62

Yearly %	Jun'21	Jun'22	Jun'23	Jun'24	Jun'25
Fund	17.17	5.60	9.55	9.11	4.79
Benchmark	4.01	4.18	6.76	8.50	8.12

	Cumulative Return (%)		Annualised Return (%)	
	Fund	Benchmark	Fund	Benchmark
1 Year	4.79	8.12	4.79	8.12
2 Years	14.34	17.30	6.93	8.31
3 Years	25.26	25.24	7.80	7.79
4 Years	32.27	30.47	7.24	6.88
5 Years	54.99	35.70	9.16	6.30
Since Inception	54.33	45.32	7.45	6.39

Performance net of fees. Source: Prescient Fund Services; Date: 30/06/2025

Highest and Lowest Annual Returns

Time Period: Since Inception to 30/06/2025

Highest Annual %:	19.27%	Lowest Annual %:	-2.03%

Risk Statistics

	3 Year Rolling	Since Inception
Standard Deviation	2.45%	3.20%
Sharpe Ratio	0.01	0.12
Sortino Ratio	0.02	0.14
Information Ratio	0.01	0.12

Value at Risk (10-day, 99% confidence)

	Current	Regulatory Maximum	Mandate
VaR at period end	2.62%	20.00%	20.00%
Highest VaR over the month	2.71%		

Source: RiskCafé; Date: 30/06/2025

Sources of Leverage

Leverage Sources	Absa Prime Services
Leverage Type	Loan
Leverage Value (ZAR)	43,000,000.00
Gearing Ratio	3.44
Maximum Gearing Per Mandate	4.00

Counterparty Exposure (%)

Absa Prime Services	100.00%

Risk Profile

Aggressive

You can afford to take on a higher level of risk because your investment time horizon and/or your appetite for risk. You know that in taking the risk, you need to be patient if you want to achieve the results. So you are willing to invest for the long-term and are prepared to tolerate some volatility in the short term, in anticipation of the higher returns you expect to receive over the longer term.

1) Where return and risk figures are quoted for periods greater than 12 months, these returns are annualised. In other words, they are scaled to represent an equivalent one year measure. Actual annual figures are available to the investor on request.
2) VAR represents the statistical loss that the Fund can experience given its current holdings over a one Month period with a 1% probability.
3) Sources of leverage are from equity and / or fixed interest derivatives provided by the Prime Broker. The types and sources of leverage are based on strategies that implement derivatives, short selling and borrowed money as by the Prime Broker. Leverage is calculated using the Commitment approach.
4) Portfolio stress testing is performed by subjecting a portfolio through extreme market situations, and noting the portfolio profit and loss, value at risk and exposure movements.
5) In some circumstances asset hypothecation exists and is limited within the contracting arrangements with the different counter parties.

Fund Objective

The objective of the fund is to provide consistently superior risk-adjusted returns to investors through exploiting opportunities that present in interest rate and derivative markets.

Fund Strategy

The porfolio shall invest in a combination of assets in liquid form including cash, cash equivalents, money market instruments, listed and unlisted interest rate instruments, corporate and sovereign bonds, preference shares and listed property. The portfolio shall be permitted to invest in listed and unlisted financial instruments (derivatives) including but not limited to interest rate derivatives, currency derivatives and commodity derivatives. The Manager shall be permitted to invest in offshore investments as legislation permits. The Portfolio may also invest in participatory interests of portfolio of collective investment schemes registered in the Republic of South Africa or of participatory interests in collective investment schemes or other similar schemes. The 10 day 99% VAR shall be limited to 20% of the NAV.

Fund Manager Details

Investment Manager: Saffron Wealth (Pty) Ltd
FAIS Disclosure: Saffron Wealth (Pty) Ltd is an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.
Fund Manager: Brandon Quinn

Fund Information

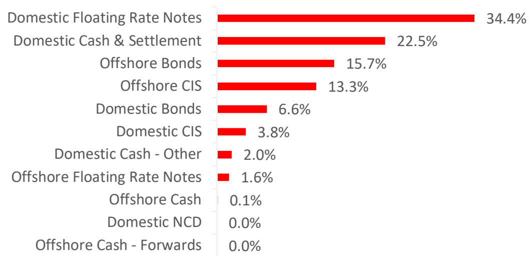
Fund Classification	Qualified Investor Hedge Fund | South African | Fixed Income
Base Currency	South African Rand (ZAR)
Inception Date	May 2019
JSE Code	SSHOA
ISIN	ZAE000273991
Benchmark	STeFI
Risk Profile	Aggressive
Liquidity Risk Profile	Monthly
Fund Valuation Time	17:00
Transaction Cut Off Time	14:00
Monthly Price Information	Morningstar
Min. Lump Sum Investment	ZAR 1,000,000.00
Min. Recurring Investment	ZAR 1,000,000.00
Valuation Frequency	Monthly
Valuation Dates	Last day of each month
Income Distribution Freq.	Annually
Income Declaration Dates	Last day of March
Income Payment Dates	Last business day of April
Fund Size	ZAR 19,520,799.82
Number of Units	449398.99
Unit Price	12.27
Asset Duration	1.02
Fund Duration	4.53

Distribution History (cents per unit)

31/03/2025	0.44 cpu	30/06/2023	7.61 cpu
31/03/2024	0.00 cpu	31/03/2023	8.54 cpu
31/08/2023	27.30 cpu	30/12/2022	8.96 cpu

Fund Holdings

Asset Allocation (%)



Service Charge (Excl. VAT) (%)

Service Charge	1.00% p.a. payable monthly
Broker Advisory Fee (max)	1.00%
Performance Fee*	20% of profits above (i) STeFI and (ii) the high water mark, payable quarterly
Total Expense Ration (TER)	1.20%
Transaction Costs (TC)	0.20%
Total Investment Charge (TIC)	1.40%

*The performance fee is accrued daily, based on performance over a rolling one year period with payment to the manager being made monthly. Performance fees will only be charged once the performance fee benchmark is outperformed.

MDD as at 30 June 2025
Issue Date: 10 July 2025

Administered by: Prescient

Glossary Terms

Collective Investment Schemes (CIS)
Collective Investment Schemes (also called unit trusts) are portfolios of assets such as equities, bonds, cash and listed property, in which investors can buy units. They allow private investors to pool their money together into a single fund, thus spreading their risk across a range of investments, getting the benefit of professional fund management, and reducing their costs.

Distributions
The income that is generated from an investment and given to investors through annual distribution payouts.

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.

Fixed-interest investments
Fixed interest funds invest in bonds, fixed-interest and money market instruments. Interest income is a feature of these funds and, in general, capital should remain stable. A fixed-interest investment aims to offer investors a regular income at a set interest rate, which can be fixed over a specified term. If interest rates fall, the fixed interest investment typically becomes more valuable. Conversely if interest rates rise, the value of the investment will fall. The interest provides you with a fixed amount at regular intervals. So this is usually a very predictable way of getting an income from your investment.

LISP (Linked Investment Service Providers)
A Linked Investment Service Provider is a financial institution which packages, distributes and administers a broad range of unit trust-based investments. Any investment made through these products gives an investor a single point of entry into a selection of different investments.

Leverage
This refers to the use of various financial instruments or borrowed capital, such as margin, to increase the potential return of an investment.

Value at Risk (VaR)
A statistical technique used to measure and quantify the level of financial risk within a firm or investment portfolio over a specific time frame. Value at risk is used by risk managers in order to measure and control the level of risk which the firm undertakes. The risk manager's job is to ensure that risks are not taken beyond the level at which the firm can absorb the losses of a probable worst outcome.

Encumbrance or Rehypothecation
The practice by banks and brokers of using, for their own purposes, assets that have been posted as collateral by their clients. Clients who permit rehypothecation of their collateral may be compensated either through a lower cost of borrowing or a rebate on fees.

Total Expense Ratio (TER)
This is the total costs associated with managing and operating an investment (excluding administration, financial planning and servicing fees). These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which represents the TER.

Qualified Investor
Any person, who invests a minimum investment amount of R1 million per hedge fund, and who –
(a) has demonstrable knowledge and experience in financial and business matters which would enable the investor to assess the merits and risks of a hedge fund investment; or
(b) has appointed a FSP who has demonstrable knowledge and experience to advise the investor regarding the merits and risks of a hedge fund investment;

Qualified Investor Hedge Fund or QI Fund (QIF)
A hedge fund in which only qualified investors may invest.

Adherence to policy objective
The portfolio adhered to its policy objective.

Additional Information

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 Hedge Funds are processed on a monthly basis. Your application form together with proof of payment must be submitted to Prescient before 14h00, 2 (two) business days before the preceding month end. Redemptions: Hedge Fund redemptions are processed at the end of each month and require a months' notice. In order to receive month end prices, your redemption must be submitted to Prescient before 14h00, 1 business day of the preceding month end, for processing at the end of the following month. 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. Prices are published monthly 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. 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. For any additional information such as fund prices, brochures and application forms please go to www.prescient.co.za. The Management Company and Trustee are registered and approved under the Collective Investment Schemes Control Act (No.45 of 2002). Prescient is a member of the Association for Savings and Investments SA. This portfolio operates as a white label fund under the Prescient QI Hedge Fund Scheme, which is governed by the Collective Investment Schemes Control Act. 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.

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SAFFRON WEALTH
FUND MANAGEMENT

Fund Manager Quarterly Comment - As at 30 June 2025

The fund returned +1.13% and 4.79% for the quarter and year respectively, while the benchmark (STeFI Index) returned 1.86% and 8.12%. On a rolling one-year basis, the fund lagged the cash benchmark.

Markets were volatile at the start of the second quarter when the U.S. introduced broad 'Liberation Day' tariffs. A baseline 10% tariff was applied to imports from nearly all countries, while higher tariffs were imposed on about 60 countries based on trade practices, with China facing tariffs as high as 125%. This sudden expansion and extension of tariffs reversed earlier hopes for easing trade tensions and raised concerns about the global trade outlook. As a result, equity markets fell sharply and volatility rose as investors panicked over the impact on global growth and inflation. However, by the end of the month, some of the initial panic eased when a 90-day postponement was implemented to July 9, giving hope for a negotiated outcome.

The Federal Reserve held interest rates steady at 4.25–4.50% for the sixth consecutive meeting in June, reflecting persistent uncertainty around tariffs, geopolitical tensions, and inflation. Chair Powell reiterated the Fed's cautious, data-dependent stance, particularly with the imminent expiry of the reciprocal tariffs. While some recent U.S. economic data had softened, Powell downplayed recession risks, even as the Fed's updated projections showed weaker GDP growth and higher unemployment forecasts. Inflation has remained below expectations, but the Fed raised its 2025 PCE inflation forecast to 3.0%, noting that tariff-related inflation pressures were expected to build. The median FOMC projection still points to two rate cuts this year, but a growing number of members foresee fewer, highlighting the elevated uncertainty.

The European Central Bank (ECB) delivered a widely expected 25bps rate cut in June, its eighth since May 2024, bringing the deposit rate to 2.00%. While President Lagarde suggested the ECB is nearing the end of its easing cycle, she emphasised that policy remains data dependent. The market reaction was notable, with the euro firming and bond yields rising. Updated forecasts showed inflation moving sustainably toward the 2% target, but growth risks remain tilted to the downside. Uncertainty around US-EU trade relations continues to loom large, with potential tariffs posing a significant threat to the euro area outlook. While a pause in July is now more likely, any further cut remains highly contingent on the outcome of ongoing trade negotiations ahead of the 9 July deadline.

At its May meeting, the Bank of England's Monetary Policy Committee (MPC) voted to cut the Bank Rate by 25bps to 4.25%, continuing a steady quarterly pace of easing. However, the decision showed clear division within the committee, with five members supporting the cut, two favouring a larger 50bp move, and two preferring no change. The Bank remains cautious on the growth outlook, viewing recent GDP strength as driven by temporary or erratic factors, and continues to monitor progress on disinflation. Inflation expectations are still a concern, as past high inflation may influence future pricing behaviour. Further rate cuts are possible if the baseline outlook holds, but policy remains highly sensitive to evolving risks, especially around trade.

The VIX Index, a key gauge of market volatility, closed the quarter lower at 16.73 but traded as high as 52.33 over the period, reflecting a 5.55-point decrease from the previous close. The sharp swings were partly driven by heightened uncertainty related to US tariffs, which contributed to significant volatility across markets. The J.P. Morgan Emerging Market Bond Index (EMBI) Sovereign Spread tightened by approximately 26 bps, ending the quarter at 370 bps, while the index posted a positive return of +3.06%, supported by declining US interest rates. In credit markets, South Africa's 5-year Credit Default Swap (CDS) spread tightened by 42 bps to a tight 188 bps, Turkey's by 29 bps to 290 bps, and Brazil's by 37 bps to 150 bps. However, over the quarter, all three traded in notably wide ranges, between 60 and 100 bps, underscoring persistent market uncertainty.

A key theme in the past quarter was broad-based U.S. dollar weakness, which significantly influenced global currency markets. The DXY Index declined sharply in 2025, down approximately 11% year-to-date (YTD) and about 7% in Q2 alone, marking its steepest quarterly drop in over half a century. This substantial dollar depreciation, combined with persistently elevated long-end bond yields, created a strong tailwind for commodities and emerging markets, particularly resource-rich economies like South Africa.

Oil prices briefly spiked during the quarter but ultimately retreated, ending Q2 down 11% YTD, offering some relief to global inflationary pressures. Precious metals were standout performers, with gold hitting record highs (up roughly 26% YTD), platinum surging 47%, and palladium rising 21%. Broader commodity benchmarks reflected mixed trends. The CRB Index rose 3.6% in Q2 and 6% YTD. The CRB Metal Index fell 5.7% in Q2 but remained up 6.42% YTD. The CRB Food Index gained 10% in Q2 and 6.12% YTD.

The euro appreciated 8.9%, driven by expectations of increased fiscal stimulus and infrastructure spending in Germany. The South African rand strengthened 3.3% against the U.S. dollar but weakened against the euro (-5.25%) and the pound (-2.69%), highlighting diverging currency trends. Despite quarterly gains, the USD/ZAR exchange rate is still up 2.66% over the past year. Notably, the rand's correlation with the CRB Metals Index reasserted itself, as easing domestic political concerns and improving global risk sentiment bolstered appetite for emerging market assets. Commodity-linked currencies like the rand benefited from stronger metal prices but remain sensitive to shifts in U.S. rate expectations and global trade tensions, both of which could reintroduce volatility.

Turning to asset classes, equities (JALSH TR Index) were again the best performers, returning +9.70%, followed by property (JSAPY TR Index) at +9.12% and nominal bonds (ALBI TR Index) at +5.88%. Inflation-linked bonds (CILI TR Index) were the worst performers, with a return of just +0.88%. Over a 12-month period, equities remain the top-performing asset class, posting a gain of +24.56%, followed closely by property (+23.95%) and nominal bonds (+18.43%).

The South African Reserve Bank's Monetary Policy Committee (MPC) cut the repo rate by 25bps to 7.25% in a notably dovish decision, with unanimous support, although one member favoured a larger 50bps cut. This marked a clear shift from the caution seen in March, supported by well-contained inflation, a stronger rand, and lower global oil prices. Crucially, the SARB signalled a shift in its inflation framework by presenting a revised 3% inflation target, down from the current 4.5%. This change had a significant impact on SA markets, as it implies a lower interest rate path over the medium term, with the repo rate potentially falling to 5.79% by 2027, compared to 7.11% under the current target. The SARB also revised its inflation forecasts meaningfully lower, now expecting CPI to average 3.2% in 2025 and 4.2% in 2026. It shifted its inflation risk assessment from an upside bias to a balanced view and trimmed its growth outlook in response to a weaker global environment. While concerns such as slower global growth and rising trade tensions persist, the SARB appears more confident in its ability to manage external risks. In response to the MPC's dovish stance and the shift in the inflation framework, local money and bond markets reacted positively. The 3-month JIBAR rate fell to 7.29 percent, down 27 bps, while the average yield on 12-month Treasury bills eased to 7.84 percent, from 8.03 percent. The FRA curve is pricing in a +/- 35bps of rate cuts, with an 80% probability of a 25bps rate cut at the July MPC meeting. South African government bond (SAGB) yields rallied, reflecting both improved global sentiment and the SARB's policy pivot. The yield curve slope tightened materially, with the short-end R2032 yield falling by 71 basis points, while the longer-dated R209 and R2044 yields declined by 65 and 45 basis points, respectively. This rally in SAGB yields across the maturity spectrum, driven largely by demand for mid to long duration SAGBs, led to the 7-to-12-year bucket of the ALBI curve outperforming, with a return of 6.90%. The 12+ year bucket followed with a return of 6.60%, while the 3-to-7-year and 1-to-3-year buckets returned 5.40% and 2.80% respectively.

At the end of 2Q 2025, the fund was 3.44x geared, with an effective 22.50% allocation to cash. The largest asset class exposures were to Domestic Floating Rate Notes (34.44%) and Offshore Bonds (15.68%). The Value-at-Risk (VaR) risk measure (99% confidence, 10-day period) calculated by the independent risk managers stood at 2.62%. The fund has now fully reflected the impact of a previously impaired holding, which was fully written down during the quarter. As a result, the fund's expected performance is now better aligned with its current holdings. The fund aims to enhance total return through value opportunities that, on a geared and risk-adjusted basis, achieve or exceed our hurdle return of STeFI.

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