

Cogence Fixed Interest Prescient Fund of Funds

Minimum Disclosure Document & General Investor Report

28 February 2025



Fund Details

| | |
|--------------------------------|--|
| Portfolio manager | Riscura Invest (Pty) Ltd |
| Investment manager | Cogence (Pty) Ltd |
| Launch date | 22 August 2022 |
| ASISA classification | (ASISA) SA - Multi Asset - Income |
| Benchmark ¹ | 70% ALBI, 20% SteFi Composite, 10% iGOV |
| Risk profile | <div><div></div><div></div><div></div><div></div><div></div></div> Very Low |
| Fund size | R473 228 113 |
| Income declaration | Monthly |
| Regulation 28 compliant | Yes |
| Currency | South African Rands |
| NAV price at month | 103.87c |
| Inception NAV price | 100c |
| Number of units | 455 576 194 |
| Annual fees (Incl. VAT) | 0.40% |
| Performance fees | None |
| Total expense ratio (TER) | 1.01% |
| Transaction costs (TC) | 0.00% |
| Total investment charges (TIC) | 1.01% |
| JSE code | COGFFA |
| ISIN number | ZAE000312302 |
| Transaction cut-off time: | 16:00 |

Notes

1. Benchmark and performance data is provided by Cogence (Pty) Ltd.
2. There have been no material changes to the fund details displayed above since the fund launch.

Investment policy

The objective of this fund is to provide investors with a high level of income while seeking opportunities to maximize capital gains. This will be achieved by investing in collective investment schemes in accordance with the Act that have a bias to local and international bonds, corporate bonds and other securities that offer a high return of income. The fund will be actively managed and the Manager will be permitted to invest in offshore investments as legislation permits.

The fund has adhered to its policy objectives as stated in the supplemental deed.

Who this investment may be suitable for

The fund is suitable for investors seeking a high level of income and stable capital growth, with a low tolerance for capital loss.

Historical Performance

| Period | Fund | Benchmark |
|---------------------|--------|-----------|
| 1 month | 0.07% | 0.27% |
| 3 months | 0.18% | 0.64% |
| YTD | 0.44% | 0.67% |
| 1 year | 14.29% | 14.92% |
| 3 year | - | - |
| 5 year | - | - |
| Since Launch (Ann.) | 10.07% | 10.72% |
| Since Launch (Cum.) | 27.39% | 29.31% |

Performance data longer than 1 year is annualised.

Risk Statistics (Since launch)

| Statistic | Fund | Benchmark |
|-------------------------|--------|-----------|
| Volatility | 6.24% | 6.21% |
| Maximum drawdown | -3.74% | -4.06% |
| Highest one-year return | 21.24% | 21.19% |
| Lowest one-year return | 4.46% | 5.23% |
| Sharpe ratio (Rf = 0%) | 1.57 | 1.69 |

Performance is calculated using the Total Returns Index (TRI), net of fees, with all dividend and/or income declarations reinvested on the declaration date at the net asset value price at that time. Investment performance is for illustrative purposes only.

Fund Holdings

| Name | Allocation |
|------------------------------------|------------|
| Discovery Strategic Bond Fund | 27.5% |
| 10X Yield Selected Bond Index Fund | 17.5% |
| Satrix Bond Index Fund | 16.5% |
| Laurium BCI Strategic Income Fund | 12.5% |
| Discovery Diversified Income Fund | 12.4% |
| Nedgroup Inv Money Market Fund | 8.3% |
| 1NVEST ILB Index Tracker Fund | 5.1% |
| Vunani BCI Bond Retention | 0.2% |
| Cash South African Rand | 0.0% |

May not add up to 100% due to rounding.

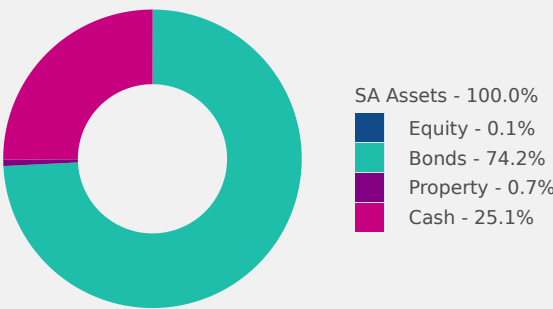
Top 10 Holdings

| | |
|-----------------------------------|------|
| South Africa (Republic of) 9% | 6.0% |
| South Africa (Republic of) 8.25% | 5.5% |
| South Africa (Republic of) 8.75% | 4.9% |
| South Africa (Republic of) 8.75% | 4.3% |
| South Africa (Republic of) 8.875% | 4.2% |
| South Africa (Republic of) 6.25% | 3.7% |
| South Africa (Republic of) 6.5% | 3.6% |
| South Africa (Republic of) 8% | 3.5% |
| South Africa (Republic of) 8.5% | 3.1% |
| South Africa (Republic of) 7% | 2.9% |

Income Distribution (Last 12 Months)

| | |
|----------------|-------|
| March 2024 | 0.07c |
| April 2024 | 0.98c |
| May 2024 | 0.13c |
| June 2024 | 0.09c |
| July 2024 | 3.17c |
| August 2024 | 0.15c |
| September 2024 | 0.09c |
| October 2024 | 0.97c |
| November 2024 | 0.1c |
| December 2024 | 0.07c |
| January 2025 | 3.34c |
| February 2025 | 0.11c |

Asset allocation chart



Portfolio composition

There have been no material changes to the composition of the fund over the last quarter.

Monthly market commentary

Despite a robust start to 2025, February brought a mix of declines and gains to equity markets, while positive performances fixed income markets delivered generally positive returns as yields fell in the month. Within equities, developed markets dipped by 0.9%, lead by losses in US equities which fell 1.6% while European equities excluding the UK saw a 3.4% increase in February, elevating their YTD gains to 10.8%. Trade tensions overshadowed the exceptionalism of the United States, acting as a significant headwind for equity growth. Japanese equities faced the steepest decline due to trade concerns and rising inflation. In contrast, European stocks experienced growth as investors shifted away from U.S. equities, with defence stocks soaring amid sustained geopolitical instability.

South African equities remained flat in February, influenced by the uncertainty surrounding the postponement of Finance Minister Enoch Godongwana's national budget speech. This delay was due to the coalition government's inability to agree on the proposed VAT increase from 15% to 17%. Additionally, the return of load shedding after a year of relatively stable power supply added to the market's concerns. The South African Reserve Bank (SARB) reduced its key interest rate by 25 basis points to 7.50%, marking the third consecutive rate cut. The central bank noted that while inflation appeared to be under control, the medium-term outlook remained uncertain. In January, the Consumer Price Index (CPI) rose to 3.2%, still below the SARB's 4.5% target, while core inflation dropped to 3.5%, its lowest level since February 2022. Producer inflation increased in January, reaching 1.1% year-on-year, surpassing market expectations. Finally, the Rand was broadly flat in February, despite a volatile environment, closing at around R18.69/\$ compared to R18.66 /\$ in February.

General

Collective investment schemes (Unit Trusts) are generally medium to long-term investments. The value of participatory interests (units) or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending (i.e. borrowing and lending of assets). The manager does not provide any guarantee, with respect to the capital or the return of a portfolio. Prescient retains full legal responsibility for the third-party-named portfolio. Any forecasts and/or commentary in this document are not guaranteed to occur. Different classes of participatory interests apply to these portfolios and are subject to different fees and charges. A schedule of all fees and charges, inclusive of VAT and maximum commissions, is available on request from us or from your financial adviser. Forward pricing is used.

Investment Manager

Cogence (Pty) Ltd

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|---------------------|--|
| Registration number | 2009/011658/07 |
| Postal address | PO Box 786722, Sandton, Gauteng, 2196 |
| Physical address | Sandton, Gauteng, 2196 |
| Website | www.cogence.co.za |
| Email | info@cogence.co.za |

CIS Manager

Prescient Management Company (RF) (Pty) Ltd

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|---------------------|---|
| Registration number | 2002/022560/07 |
| Physical address | Prescient House, Westlake Business Park, Otto Close, Westlake, 7945 |
| Postal address | PO Box 31142, Tokai, 7966 |
| Telephone number | 0800 111 899 |
| E-mail address | info@prescient.co.za |
| Website | www.prescient.co.za |

Prescient is registered and approved under the Collective Investment Schemes Control Act.

Trustee

Nedbank Investor Services

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|------------------|---|
| Physical address | 2nd Floor, 16 Constantia Boulevard, Constantia Kloof, Roodepoort, 1709 |
| Telephone number | +27 11 534 6557 |
| Website | www.nedbank.co.za |

Yields

The yield for bond and income portfolios is historic and is calculated quarterly.

Important information

The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. The ability of the portfolio to repurchase is dependent upon the liquidity of the securities and cash of the portfolio. A manager may suspend repurchases for a period, subject to regulatory approval, to await liquidity, and the manager must keep the investors informed about these circumstances.

A fund of funds is a portfolio that invests in portfolios of collective investment schemes that levy their own charges. This could result in a higher fee structure.

Lump-sum performance returns are being quoted. Income distributions, prior to deduction of applicable taxes, are included in the performance calculations. NAV to NAV figures have been used for the performance calculations, as calculated by the manager at the valuation point defined in the deed, over all reporting periods. Investment performance calculations are available for verification upon request by any person. Reinvestment of income is calculated on the actual amount distributed per participatory interest, using the ex-dividend date NAV price of the applicable class of the portfolio, irrespective of the actual reinvestment date. The performance is calculated for the fee class. The individual investor performance may differ, as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax.

The rate of return is calculated on a total return basis, and the following elements may involve a reduction of the investor's capital: interest rates, economic outlook, inflation, deflation, economic and political shocks or changes in economic policy. Annualised returns are period returns re-scaled to a period of one year. This allows investors to compare returns of different assets that they have owned for different lengths of time. All period returns greater than one year have been annualised. Returns for periods less than one year have not been annualised. A cumulative return is the aggregate amount an investment has gained or lost over time, independent of the period of time involved. Actual annual figures are available to the investor on request. Illustrative investment performance is for illustrative purposes only.

Specific fund risks

- Derivatives
- Exposure to foreign securities
- Drawdown
- Liquidity
- Equities
- Bond

For a detailed description of these risks, and other risks that are relevant to the portfolio, please refer to the CIS and other Risk Disclosure Documents, available at www.cogence.co.za.

Glossary

Annualised return - An annualised return is the weighted average compound growth rate over the period measured.

Highest & Lowest return - The highest and lowest returns for any one year over the period since inception have been shown.

Volatility - Volatility (also called standard deviation) is a measure of how widely the returns varied over the period measured.

Maximum drawdown - A maximum drawdown is the maximum loss from a peak to trough of the portfolio over the period measured, before a new peak is attained.

Sharpe ratio - The Sharpe ratio is a measure of risk-adjusted returns. The Sharpe ratio reflects the extent to which an investment compensates for extra risk.

NAV - The net asset value represents the assets of a fund less its liabilities.

What is the total investment charge (TIC)

Total expense ratio (TER) is the percentage of the value of the portfolio that was incurred as expenses relating to the administration (charges, levies and fees) of the portfolio. TER is calculated over rolling 3 years (or since inception, where applicable), and is annualised, to the most recent calendar quarter-end. A higher TER does not necessarily imply a good return. The current TER may not necessarily be an accurate indication of future TER's. Transaction costs (TC) is the percentage of the value of the portfolio that was incurred as costs relating to the buying and selling of the assets underlying the portfolio. Transaction Costs are a necessary cost in administering the portfolio and impacts portfolio 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 financial product, the investment decisions of the investment manager, and the TER. Calculations are based on actual data, where possible, and best estimates, where actual data is not available. Total investment charges (TIC) is the percentage of the value of the portfolio that was incurred as costs relating to the investment of the portfolio. It is the sum of the TER and TC.

For additional information on the portfolio, refer to the application forms, quarterly investment report and minimum disclosure documents, available on our website, www.cogence.co.za, from your financial adviser, or on request from the manager, free of charge.

The complaints policy and procedure, as well as the conflicts of interest management policy, are available on our website www.cogence.co.za. Associates of the manager may be invested within certain portfolios, and the details thereof are available from the manager. The manager has the right to close certain portfolios to new investors, in order to manage them more efficiently, in accordance with their mandates.

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.

- Performance data reflected in the MDD was sourced from morningstar as at 11th March 2025.
- This document was published on 19 March 2025.

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.

This portfolio operates as a white label fund under the Prescient Unit Trust Scheme, which is governed by the Collective Investment Schemes Control Act.

Cogence (Pty) Ltd - Registration 2009/011658/07 - is an authorised financial services provider (FSP No 52242).

For further information email info@cogence.co.za or visit us at www.cogence.co.za.