

28 ✓

REGULATION
28 COMPLIANT



HIGH INCOME FOCUSED
ASSET ALLOCATION



TALENTED
ACTIVE MANAGERS



EFFICIENT PASSIVE
EXPOSURES



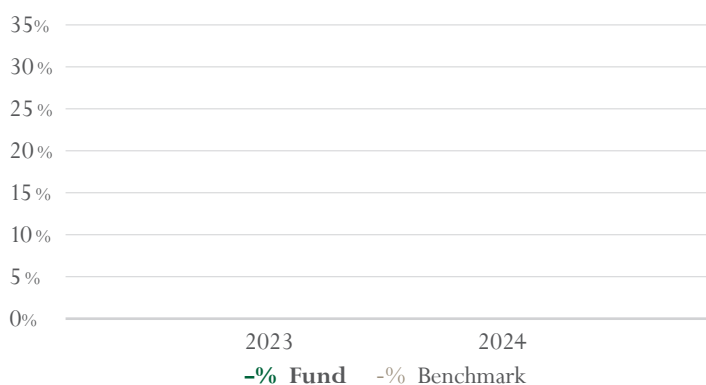
RISK
CONSCIOUS

TO OUTPERFORM CASH AND MONEY
MARKET FUNDS, WITH A FOCUS ON
PRESERVING CAPITAL IN THE SHORT TERM.

INVESTMENT POLICY

A portfolio of predominantly domestic income generating investment opportunities, including talented active managers, passive strategies, and direct securities. The fund may invest in other funds as well as listed and unlisted securities, both domestically and offshore. Allowable investments as well as position size and asset allocation will conform to the parameters of the Collective Investment Schemes Control Act and Regulation 28 of the Pension Fund Act.

SINCE INCEPTION PERFORMANCE



Returns-based Performance and Risk statistics will be available after the fund has been in existence for at least 1 year (in the May 2024 Minimum Disclosure Document).

HISTORICAL PERFORMANCE

%	1m	3m	6m	YTD	1y	3y	5y	Since Inception
Fund	-	-	-	-	-	-	-	-
Benchmark	-	-	-	-	-	-	-	-

Returns-based Performance and Risk statistics will be available after the fund has been in existence for at least 1 year (in the May 2024 Minimum Disclosure Document). Performance for periods longer than 1-year are annualised.

IMPLEMENTATION

80.5% Third Party Active Managers

19.5% Passive / Direct



FUND INFORMATION

Portfolio manager	Stonehage Fleming Investment Management (South Africa) (Pty) Ltd
Fund classification	ASISA South Africa Multi Asset Income
Benchmark	ASISA SA MA Income Category Average
Fund size (ZAR m)	991.68
Valuation time	17:00
Transaction time	13:00
Portfolio currency	ZAR

SHARE CLASS INFORMATION

ISIN	ZAE000321212
Ticker	SOYFA1
Inception date	2 May 2023
Number of units	10,146,812.53
Unit price (ZAc)	102.04
Minimum lump sum	R 10,000.00
Minimum monthly debit order	R 500.00
Distribution frequency	Quarterly
Distribution date	31 Mar, 30 Jun, 30 Sep, 31 Dec
Latest distribution (cpu)	1.69

FEE BREAKDOWN

Management fee	0.48% (ex VAT)
Total expense ratio (TER)	N/A - new fund
Transaction cost (TC)	N/A - new fund
Total investment charge (TIC)	N/A - new fund

Please note that the Total Expense Ratio and Transaction Costs cannot be determined accurately because of the short life span of the Financial Product and the funds. The TER will be available after one year.

FUND STATISTICS

Modified Duration	1.68
Current Gross Yield	10.14%

CONSERVATIVE

MODERATE

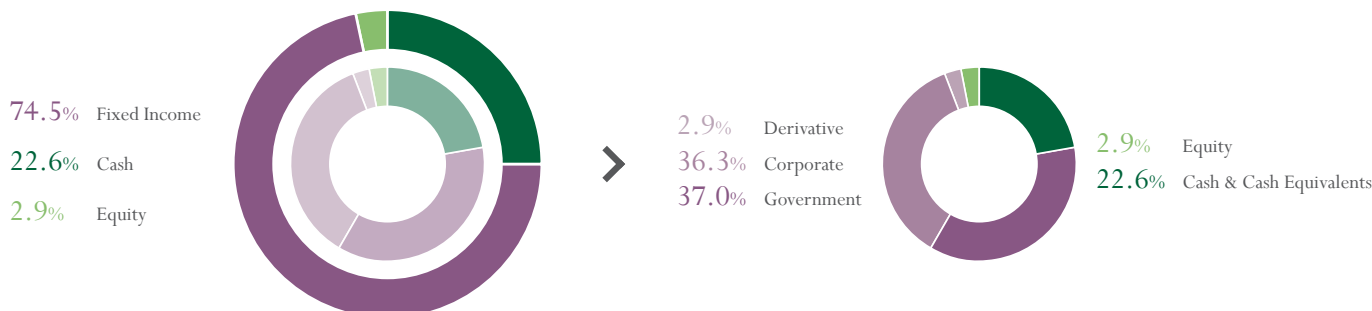
AGGRESSIVE

Generally, conservative portfolios have minimal equity exposure or no equity exposure, resulting in far less volatility than a more aggressive mandated portfolio and in turn the probability of capital loss (permanent/ temporary) is less likely. However, expected potential long-term investment returns could be lower over the medium to long-term.

DISCLOSURE

Past performance is not a guide to future performance. The portfolio has adhered to its investment policy and there were no material changes to the composition of the portfolio during the month.

ASSET ALLOCATION



QUARTERLY FUND COMMENTARY (AS OF Q4 2023)

Finishing the year on a strong note, South African markets followed global peers higher in the final quarter of 2023. For the full year, the FTSE/JSE All Share index was up 9.3%, which was marginally behind bonds (9.7%) but ahead of cash (7.8%). The standout performance for 2023 came from global equities, with the ACWI returning 31.3% (in rand).

Notable domestic developments over the past year include a moderation in the rate of price inflation (with the SARB holding the repo rate steady from the end of May – at 8.25%), GDP growth continuing to be hampered by electricity and logistical constraints, and the domestic fiscal situation coming (back) into focus.

We are of the view that domestic interest rates have likely reached their cycle peak and will probably be lower by the end of this year.

Both electricity and logistics are extremely important for the economy and their repair fall within the remit of Operation Vulindlela: Eskom is a bit further along its journey but there is also a keen focus within the Presidency on Transnet. There is much being done, but it will take time and the journey will not be straight forward.

The return of the twin deficits – so called for concurrent negative balances on the country's fiscal and current accounts – is placing pressure on government's finances (deficits need funding), which, in turn adds risk premia to the rand and sovereign bonds.

SA long bond yields followed those in the US lower over the final quarter, translating into strong positive returns. The key driver of this was markets starting to expect looser monetary policy from key central banks – notably the Fed. Post this rally, the yield on bonds in SA have moved closer to fair value. They do, however, remain high on a real basis.

Looking ahead, we believe the prognosis for SA equities in aggregate rests on elevated dividend yields and undemanding valuations (especially vs EM and world equities). We also believe that foreign (and potentially some domestic) investors are sitting on the side-lines waiting to gauge the outcome of the national elections.

The South African economy and financial markets face many macro and political risks (on the domestic front, as well as from abroad) in 2024. In the US, our offshore colleagues believe entrenched disinflation will lift real income growth and reduce the likelihood of a deep US recession, which they estimate at c. 30% for the next 12 months.

Over the final quarter of 2023, your fund benefitted from longer duration bond exposure – which rallied on dovish comments from the Fed. We also found good opportunities in the money market, deploying capital to Treasury Bills and NCD's at yields in excess of 9%.

FUND UPDATE

One of the underlying managers within the fund had exposure, via asset backed securities, to a business that is now distressed. As a result of this, that manager elected to place the securities in a side pocket. This was done to afford the manager time to gain more certainty around the likely value of the securities. While the size of the side-pocket in relation to that manager's fund is larger than we would have liked, due to our diversified approach the side-pocketed position was only 1.6% within your fund. We have taken a

conservative stance and marked this position down by 50% until we have more clarity, resulting in an immediate impact on your fund of -0.8% and the remaining retention fund exposure at 0.8% of your fund. Very importantly, this allows for full fund liquidity to both current and prospective investors to invest or redeem as they wish. We also fully redeemed our remaining investments with that manager. We do still expect your fund to achieve its return target going forward.

FUND MANAGER



BRYN HATTY, CA(SA), CFA

Bryn is the Chief Investment Officer for Stonehage Fleming Investment Management in South Africa and is responsible for the leadership and development of the domestic investment offering. Prior to joining Stonehage Fleming, he worked as a Portfolio Manager at Old Mutual Investment Group. During this time, he managed a range of portfolios including hedge funds, long-only absolute returns funds as well as an equity fund. He also has a number of years' experience doing structuring for South African institutional and corporate clients. Bryn served on the Financial Derivatives Advisory Committee for the South African Futures Exchange (SAFEX) for over 10 years. He is a qualified Chartered Accountant as well as a CFA charterholder and studied Business Science at the University of Cape Town.



DEPUTY FUND MANAGER

JAN-DAAN VAN WYK, CFA

JD is a Senior Research Analyst within the Stonehage Fleming Investment Management team and permanent member of the Investment Committee, responsible for developing and implementing investment strategy. He focusses on economic and market research as well as manager selection and portfolio construction. Prior to joining Stonehage Fleming, JD worked at an M&A Advisory consultancy, and as a finance lecturer before that. He studied Investment Management at the University of Johannesburg and is a CFA charterholder. JD has also been a Board Member of the CFA Society of South Africa since 2018.

GLOSSARY SUMMARY

Annualised Performance: 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.

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.

Alpha: Denoted the outperformance of the fund over the benchmark.

FUND SPECIFIC RISKS

Default Risk: The risk that the issuers of fixed income instruments may not be able to meet interest payments nor repay the money they have borrowed. The issuers credit quality is vital. The worse the credit quality, the greater the risk of default and therefore investment loss.

Interest Rate Risk: The value of fixed income investments (e.g., bonds) tends to be inversely related to interest and inflation rates. Hence their value decreases when interest rates and/or inflation rises.

Derivatives Risk: The use of derivatives could increase overall risk by magnifying the effect of both gains and losses in a Fund. As such, large changes in value and potentially large financial losses could result.

Derivative Counterparty Risk: A counterparty to a derivative transaction may experience a breakdown in meeting its obligations thereby leading to financial loss.

IMPORTANT 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.

Where a current yield has been included for funds that derive their income primarily from interest-bearing income, the yield is a weighted average yield of all underlying interest-bearing instruments as at the last day of the month. This yield is subject to change as market rates and underlying investments change.

The Manager retains full legal responsibility for any third-party-named portfolio. Where foreign securities are included in a portfolio there

Sharpe Ratio: The Sharpe ratio is used to indicate the excess return the portfolio delivers over the risk free rate per unit of risk adopted by the fund.

Standard Deviation: The deviation of the return stream relative to its own average.

Max Drawdown: The maximum peak to trough loss suffered by the Fund since inception.

Max Gain: Largest increase in any single month

Property Risk: Investments in real estate securities can carry the same risks as investing directly in real estate itself. Real estate prices move in response to a variety of factors, including local, regional, and national economic and political conditions, interest rates and tax considerations.

Geographic / Sector Risk: For investments primarily concentrated in specific countries, geographical regions and/or industry sectors, their resulting value may decrease whilst portfolios more broadly invested might grow.

Equity Investment Risk: Value of equities (e.g., shares) and equity-related investments may vary according to company profits and future prospects as well as more general market factors. In the event of a company default (e.g., bankruptcy), the owners of their equity rank last in terms of any financial payment from that company.

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 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.

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.

For any additional information such as fund prices, brochures and application forms please go to www.prescient.co.za.

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Management Company: Prescient Management Company (RF) (Pty) Ltd. This portfolio operates as a white label fund under the Prescient Unit Trust Scheme, which is governed by the Collective Investment Schemes Control Act.

Management Company: **PRESCIENT MANAGEMENT COMPANY (RF) (PTY) LTD**

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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 South Africa.

Investment Manager: **STONEHAGE FLEMING INVESTMENT MANAGEMENT (SOUTH AFRICA) (PTY) LTD**

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