# Fairtree Global Equity Prescient Feeder Fund

Minimum Disclosure Document - Class A3

31 May 2025

## Investment Objective

The Fairtree Global Equity Prescient Feeder Fund aims to create medium to long-term capital growth. To pursue its objective, the fund invests in developed market shares, combining global screening models with the Fairtree active fundamental investment philosophy. The fund is constructed in a diversified manner and aims to provide returns above the benchmark while exhibiting a lower level of volatility in returns relative to the benchmark. The portfolio aims to provide returns above the benchmark.

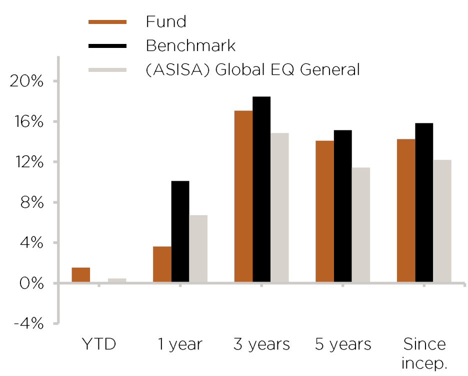
## Investment Policy

The Fairtree Global Equity Prescient Feeder Fund is a global equity fund. The objective of Fund is to provide investors with long term capital growth by investing in global equity markets. In order to achieve this objective, the Fund will invest in selected shares across all industry sectors ranging across large, mid and smaller cap shares. The fund will be exposed to exchange rate risk. The fund may also invest in money market and the Manager may, at its discretion, include in the portfolio listed and unlisted financial instruments for the exclusive purpose of hedging any exchange rate risks.

## RISK INDICATOR

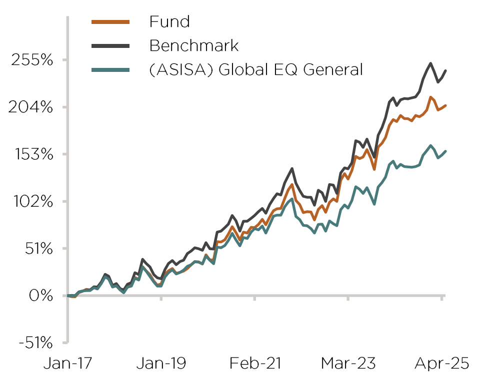
AGGRESSIVE

## ANNUALISED PERFORMANCE (%)




Source: Performance calculated by Prescient Fund Services verified by the FSP
Date: 31 May 2025

## CUMULATIVE PERFORMANCE




## ANNUALISED PERFORMANCE (%)

| | Fund | Benchmark | Secondary Benchmark |
|---|---|---|---|
| 1 year | **3.62** | 10.13 | 6.71 |
| 3 years | **17.08** | 18.47 | 14.84 |
| 5 years | **14.09** | 15.14 | 11.45 |
| Since incep. | **14.25** | 15.85 | 12.20 |
| Highest rolling 1 year | **36.37** | 34.35 | 29.41 |
| Lowest rolling 1 year | **-8.28** | -11.27 | -14.20 |

All performance figures are net of fees.

## RISK AND FUND STATS

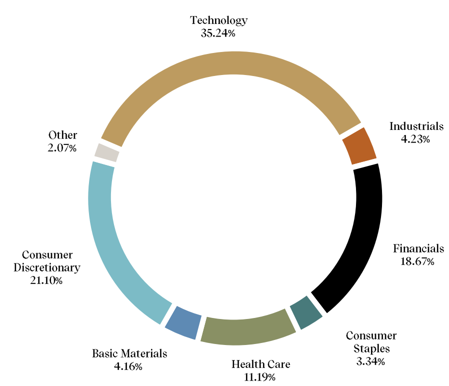
| Since inception (p.a.) | Fund | Benchmark |
|---|---|---|
| Sharpe Ratio | **0.57** | 0.66 |
| Sortino Ratio | **1.12** | |
| Information Ratio | **-0.30** | |
| Standard Deviation | **14.18%** | 14.50% |
| Max Drawdown | **-17.36%** | -16.64% |
| Max Gain | **14.45%** | 13.39% |
| % Positive Months | **58.42%** | 60.40% |

Benchmark risk statistics for funds with intra-month inceptions dates are calculated using the monthly return series.

## ASSET ALLOCATION (%)

| | S.A | Foreign | Total |
|---|---|---|---|
| Equity | 1.36 | 94.98 | **96.34** |
| Cash | 0.16 | 3.50 | **3.66** |
| Total | 1.52 | 98.48 | **100.00** |

## EQUITY SECTOR EXPOSURE




## FUND INFORMATION

**Fund Manager:**
Cornelius Zeeman and Jacques Haasbroek

**Fund Classification:**
Global - Equity - General

**Benchmark:**
S&P Global 1200 TR ZAR Lag

**JSE Code:**
FGEPA3

**ISIN Number:**
ZAE000291407

**Regulation 28 Compliant:**
N/A

**Fund Size:**
R1.6 bn

**No of Units:**
47,756,176

**Unit Price:**
283.64

**Inception Date:**
January 2017

**Minimum Investment:**
R50 000 lump-sum
R1 000 per month

**Initial Fee:**
0.00%

**Annual Management Fee:**
0.75% (excl. VAT)

**Performance Fee:**
15% outperformance over the S&P Global 1200 Total Return Index, with a high-water mark. Capped at 1.25% (excl VAT).

**Fee Class:**
A3

**Fee Breakdown:**

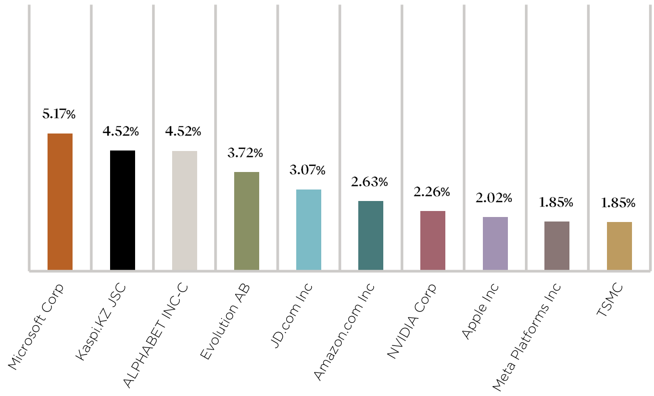
| | |
|---|---|
| Management Fee | 0.75% |
| Performance Fees | 0.00% |
| Other Fees* | 0.31% |
| **Total Expense Ratio** | 1.06% |
| **Transaction Costs** | 0.06% |
| **Total Investment Charge** | 1.12% |

*Other fees includes underlying fee (where applicable): Audit Fees, Custody Fees, Trustee Fees and VAT

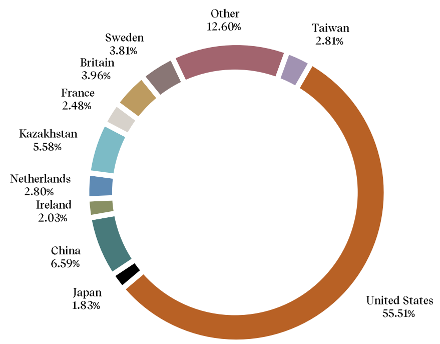
*TIC Fees are calculated in respect of 12 months ending before 31 March 2025

**Income Distribution:**
31 March 2025 - 0 cpu

## TOP 10 HOLDINGS




## COUNTRY EXPOSURE




## FUND MONTHLY RETURNS

| | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC | YTD |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2017 | -1.27% | -0.07% | 4.56% | 1.48% | 1.94% | -0.64% | 2.72% | -0.77% | 5.43% | 6.71% | -1.20% | -8.37% | 10.07% |
| 2018 | 0.46% | -4.03% | -1.69% | 7.65% | -0.84% | 7.50% | -1.86% | 11.79% | -3.36% | -3.26% | -5.69% | -3.86% | 1.16% |
| 2019 | 1.27% | 9.35% | 2.76% | 1.89% | -3.87% | 0.88% | 1.04% | 2.17% | 3.13% | 2.77% | -0.29% | -1.82% | 20.45% |
| 2020 | 7.52% | -3.99% | 0.01% | 14.45% | -0.27% | 1.43% | 4.00% | 4.73% | -3.81% | -4.70% | 5.50% | -0.79% | 24.90% |
| 2021 | 3.73% | -0.14% | 2.03% | 3.11% | -3.33% | 4.73% | 3.82% | 1.03% | 0.22% | 5.44% | 4.65% | 2.67% | 31.39% |
| 2022 | -7.76% | -2.33% | -4.38% | 0.66% | -0.25% | -4.46% | 6.26% | 2.06% | -3.70% | 5.81% | 1.85% | -1.38% | -8.28% |
| 2023 | 11.28% | 3.20% | -2.49% | 4.15% | 6.44% | -1.04% | 0.73% | 3.17% | -3.57% | -4.82% | 10.13% | 1.69% | 31.22% |
| 2024 | 2.30% | 4.81% | 2.18% | -0.66% | 2.26% | -1.13% | -0.07% | -0.81% | 2.01% | -0.48% | 0.90% | 1.64% | 13.58% |
| 2025 | 4.60% | -1.21% | -3.26% | 0.70% | 0.87% | | | | | | | | 1.54% |

Since inception till 21 September 2020, the 0.50% fee class was used as this was the most expensive fee class at the time of launch.

## MARKET COMMENTARY

The fund returned 0.87% for the month, underperforming the benchmark by 1.4%. The MSCI ACWI Index returned 5.75%, with the biggest gainers, the Netherlands and the US, increasing 8.7% and 6.4% respectively. The MSCI Emerging Markets Index increased by 4.3%, driven by Taiwan and Indonesia, increasing 12.5% and 10.6% respectively (all in USD).

US equities rose by 6.4% in May, continuing their recovery post the volatility seen in April. The rally was supported by solid corporate earnings, easing trade tensions, and expectations of tariff relief. US real GDP contracted by an annualised 0.3% in Q1, largely driven by a surge in imports ahead of anticipated tariffs and reduced government spending. The US unemployment rate held steady at 4.2% in April, while inflation eased slightly to 2.3% from 2.4% in the previous month. The Federal Reserve kept its benchmark interest rate unchanged at 4.25% - 4.5%, citing heightened economic uncertainty and the potential impact of upcoming tariffs. European equities extended their momentum in May, rising 4.56%, supported by the ECB's eighth rate cut since June 2024, which lowered rates by 25 basis points to 2% in an attempt to stimulate eurozone growth. Markets were buoyed by strong performances in the Netherlands and Germany, which gained 8.7% and 5.7% respectively. Sentiments were lifted by Germany's proposed €46 billion corporate tax relief package, easing trade tensions, a decline in eurozone inflation to 1.9%, solid corporate earnings, and renewed investor interest in undervalued European stocks. In Emerging Markets, Taiwan's market surged 12.5%, driven by booming AI-related semiconductor demand, easing US-China trade tensions, and strong foreign capital inflows. Indonesia's market rose 10.6%, driven by renewed foreign inflows, strong institutional support, easing trade tensions, and solid economic fundamentals. South Korea also advanced 7.9%, propelled by semiconductor demand, corporate reform momentum, and increased foreign investor interest.

On a sector level, Healthcare was the worst-performing sector over the month, with the fund's underweight positioning in the sector adding to relative performance. Information Technology and Financials were the best-performing sectors over the month. Our overweight positioning in Information Technology contributed to performance, while stock selection within Financials detracted from performance. Notable portfolio activity during the month included initiating positions in South African precious metals and mining companies, Gold Fields and Impala Platinum, supported by record-high gold prices and stabilising demand for PGMs. We increased our position in Eli Lilly and initiated a position in Zoetis, capitalising on strong earnings momentum and diversification benefits of leading companies in human and animal health. Existing positions in Ulta, United Health Group, ST Microelectronics and CCL Industries were sold, while the holding in Alibaba was trimmed. Alibaba reported a reasonable set of results; however, it missed consensus expectations, while capital intensity increased as management invested in the cloud and AI infrastructure segment.

Notable contributors to the fund's performance were positions in Microsoft (+84bps absolute and +22bps relative), Nvidia (+50bps absolute and -34bps relative) and Meta (+35bps absolute and +6bps relative). Notable detractors from performance over the month came from Kaspi (-47bps absolute and relative), United Health Group (-16bps absolute and -2bps relative) and Apple (-11bps absolute and +11bps relative).

The fund is positioned with a large underweight in Cyclical names, as we see a growing risk of stagflation or recession in the US economy. We reduced our EM Technology exposure, while remaining overweight and increased exposure to DM technology names. The US technology sell-off provided an opportunity to increase our exposure, which was funded by trimming some of the Chinese holdings. The fund's largest underweight positions relative to the benchmark remain in the US and Japan. The fund remains overweight China through technology shares and overweight Kazakhstan through financial shares.

# Fairtree Global Equity Prescient Feeder Fund

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31 May 2025

## Glossary

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 Performance: The highest and lowest performance 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.
Current Yield: Annual income (interest or dividends) divided by the current price of the security.
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.
Sortino Ratio: A measure of the risk-adjusted return of a portfolio. It is a modification of the Sharpe ratio but only penalises the returns falling below a user specified target, or required rate of return, while the Sharpe ratio penalises both upside and downside volatility equally.
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.
% Positive Month: The percentage of months since inception where the Fund has delivered positive return.
Performance Fee Cap: The maximum performance fee that can be charged over a specified period

## Specific Risk

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.
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.
Developing Market (excluding SA) Risk: Some of the countries invested in may have less developed legal, political, economic and/or other systems. These markets carry a higher risk of financial loss than those in countries generally regarded as being more developed.
Foreign Investment Risk: Foreign securities investments may be subject to risks pertaining to overseas jurisdictions and markets, including (but not limited to) local liquidity, macroeconomic, political, tax, settlement risks and currency fluctuations.
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.
% 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.
Currency Exchange Risk: Changes in the relative values of individual currencies may adversely affect the value of investments and any related income.
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.
Derivative Counterparty Risk: A counterparty to a derivative transaction may experience a breakdown in meeting its obligations thereby leading to financial loss.
Liquidity Risk: If there are insufficient buyers or sellers of particular investments, the result may lead to delays in trading and being able to make settlements, and/or large fluctuations in value. This may lead to larger financial losses than expected.
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.

## Disclosure

The portfolio has adhered to its object and there were no material changes to the composition of the portfolio during the quarter.

## Risk Indicator Definition

The Portfolio is more diversified than the benchmark, thus holding smaller positions in the largest capitalisation stocks than the benchmark. This comes with the risk of more volatile relative returns to the broader market when the largest stocks in the benchmark outperform. We believe however that this strategy of holding a more diversified portfolio results in lower single stock risk, and whilst there may be periods of underperformance when the large cap stocks rally, we firmly believe in efficient risk management on an absolute basis. The strategy is also exposed to various factors driving investment performance, for example Value and Momentum, and these factors may also experience periods of relative underperformance . Global research has shown however, that consistent long term exposure to these factors lead to investment reward. This portfolio is permitted to invest in foreign securities which may have additional risks (FX Movements for example). However, the portfolio does not currently hold any foreign securities and the manager does not intend on exposing the portfolio to any foreign securities going forward.

## Disclaimer

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.

A Feeder Fund is a portfolio that invests in a single portfolio of a collective investment scheme which levies its own charges, and which could result in a higher fee structure for the feeder fund.

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, macro economic 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.

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

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.fairtree.com

Management Company: Prescient Management Company (RF) (Pty) Ltd., 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: info@prescient.co.za Website: www.prescient.co.za

Trustee: Nedbank Investor Services, Physical address: 2nd Floor, 16 Constantia Boulevard, Constantia Kloof, Roodepoort, 1709 Telephone number: +27 11 534 6557 Website: www.nedbank.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.

Investment Manager: Fairtree Asset Management (Pty) Ltd, Registration number: 2004/033269/07 is an authorised Financial Services Provider (25917) under the Financial Advisory and Intermediary Services Act (No.37 of 2002), to act in the capacity as investment manager. This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No.37 of 2002). Please be advised that there may be representatives acting under supervision. Physical address: Willowbridge Place, Cnr. Carl Cronje and Old Oak Road, Bellville, 7530 Postal address: PO Box 4124, Tygervalley, 7536 Telephone number: +27 86 176 0760 Website:www.fairtree.com

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