


Cogence Balanced Prescient Fund of Funds

Minimum Disclosure Document & General Investor Report

30 September 2024



Fund Details

| | |
|---|---|
| Portfolio manager | Cogence (Pty) Ltd |
| Asset allocation advised by | BlackRock |
| Launch date | 18 March 2024 |
| ASISA classification | (ASISA) - SA - Multi Asset - High Equity |
| Benchmark ¹ | (ASISA) - SA - Multi Asset - High Equity Category Average |
| Risk profile |  High |
| Fund size | R23 665 954 |
| Income distribution | Bi Annually (End March and September) |
| Regulation 28 compliant | Yes |
| Currency | South African Rands |
| NAV price month | 111.02c |
| Inception NAV price | 100c |
| Number of units | 21 315 550 |
| Annual fees (Incl. VAT) | 0.88% |
| Performance fees | None |
| Total expense ratio (TER) ² | Not Available - New Fund |
| Transaction costs (TC) ² | Not Available - New Fund |
| Total investment charges (TIC) ² | Not Available - New Fund |
| JSE code | COBFFA |
| ISIN number | ZAE000331674 |
| Transaction cut-off time: | 16:00 |

Notes

- Benchmark and performance data is provided by Cogence (Pty) Ltd
- Due to the short financial life span of the fund, the TER will only be displayed 1 year after launched
- As per CISC requirements, performance figures will be made available 12 months after launch.
- The fund aims to target the benchmark. The benchmark performance is shown for illustrative purposes.
- 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 generate long-term capital growth and outperform the benchmark over a rolling five year period. The fund will have exposure to a broad range of markets across multiple asset classes, including both local and offshore investments. Underlying investments may include both actively managed and index-tracking strategies. The strategy is constructed with a medium allocation to equity.

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

Who this investment may be suitable for

This fund is suitable for investors who seek income and capital growth in the long term and an investment diversified across multiple asset classes. These investors are willing to withstand moderate levels of short-term market volatility.

Historical Performance³

| Period | Fund | Benchmark |
|---------------------|------|-----------|
| 1 month | - | 2.38% |
| 3 months | - | 5.99% |
| YTD | - | - |
| 1 year | - | - |
| 3 year | - | - |
| 5 year | - | - |
| Since Launch (Ann.) | - | - |
| Since Launch (Cum.) | - | 11.48% |

Performance data longer than 1 year is annualised.

Risk Statistics (Since launch)

| Statistic | Fund | Benchmark |
|-------------------------|------|-----------|
| Volatility | - | 2.21% |
| Maximum drawdown | - | 0.00% |
| Highest one-year return | - | - |
| Lowest one-year return | - | - |
| Sharpe ratio (Rf = 0%) | - | - |

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.

Manager Allocation

| | |
|-------------------------------------|-------|
| Cogence Global Growth (USD) | 37.4% |
| Satrix Swix Top 40 Fund | 8.5% |
| Ninety One SA Equities Fund | 7.1% |
| Discovery Strategic Bond Fund | 5.8% |
| Aeon Active Equities Prescient Fund | 4.2% |
| All Weather BCI Equities Fund | 4.2% |
| Perpetua SCI Relative Equities Fund | 3.8% |
| 10X Yield Selected Bond Index Fund | 3.7% |
| Satrix Bond Index Fund | 3.6% |
| Satrix Mid Cap Fund | 3.4% |
| Ninety One Active Quants Fund | 3.4% |
| Prescient Core Capped Equities Fund | 3.1% |
| Fairtree Equities Prescient Fund | 3.1% |
| Discovery Diversified Income Fund | 2.5% |
| Laurium BCI Strategic Income Fund | 2.1% |
| Nedgroup Inv Money Market Fund | 1.3% |
| Sesfikile BCI Property Fund | 1.3% |
| 1NVEST ILB Index Tracker Fund | 1.1% |
| Cash South African Rand | 0.4% |

May not add up to 100% due to rounding.

Top 5 Equity Security Holdings

| | |
|-------------------------|------|
| Naspers Ltd Class N | 3.7% |
| Firstrand Ltd | 2.4% |
| Prosus NV Class N | 2.1% |
| Standard Bank Group Ltd | 1.8% |
| Anglo American PLC | 1.7% |

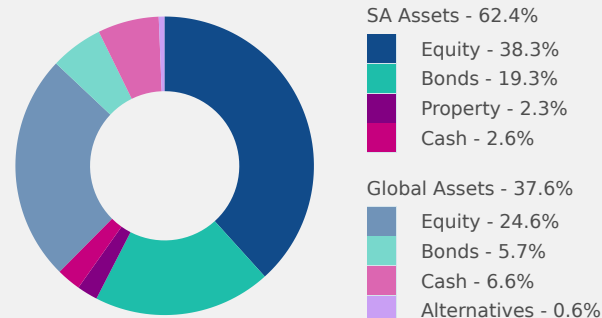
Top 5 Bond Instrument Holdings

| | |
|-----------------------------------|------|
| South Africa (Republic of) 8% | 1.1% |
| South Africa (Republic of) 9% | 1.1% |
| South Africa (Republic of) 8.25% | 1.0% |
| South Africa (Republic of) 8.875% | 1.0% |
| South Africa (Republic of) 10.5% | 0.9% |

Income Distribution (Last 12 Months)

| | |
|----------------|-------|
| September 2024 | 1.33c |
|----------------|-------|

Asset allocation



Data source: Prescient

Portfolio composition

The Cogence Balanced Prescient Fund of Funds is constructed as a diversified portfolio of funds spanning various asset classes, and across both active and passive strategies. Asset allocation and global manager selection advice is provided by BlackRock, while RisCura provide local manager selection.

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

The portfolio remains within the defined risk parameters of a high risk profile as per the ASISA category's maximum equity allowance of up to 75%.

Monthly market commentary

September was a challenging period for global equity and global fixed income markets, consequently we saw global assets underperforming their local counterparts this month. Global markets saw a significant risk-off move at the start of the month, and with the recent macro environment, the Fed delivered a 50bps rate cut and the ECB delivered a 50bps rate cut at their September meetings. The favourable rate cuts and positive momentum in China, following the People's Bank of China announcement of a large stimulus package, helped contribute to global equity and the bond market experienced a steepening in the yield curve. Global markets finished the month positively with developed equity gaining 1.83% over the month while global fixed income gained 1.16%, both in USD terms. However, local markets outperformed their global counterparts with local equity gaining 3.91% and local bonds gaining 3.89% in ZAR terms. South African equity benefitted this month off the back of exposure to the China economy where we saw MSCI China Index gain 23% in September. China's stimulus announcement could be particularly favourable for South Africa's commodity-driven sector, if China's growth is sustainable, it could benefit commodity prices. South African bonds benefitted this month from the US dollar weakening against the ZAR and a local driver of outperformance was the South African Reserve Bank (SARB) cutting the repo rate by 25bps to 8% in September.

Similarly to developed central banks, investors are pricing in the SARB entering a mild rates cutting cycle. Separately, the sustained lack of load shedding this year continues to benefit the South African economy with the September manufacturing PMIs climbing to 51 from 50.5 in August. The strengthening economy is also characterised by improved consumer confidence and inflation falling to 4.4% compared to 4.6% the previous month. Finally, the Rand strengthened against USD in September closing at around R17.282/\$ compared to R17.834/\$ in August.

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

| | |
|---------------------|---|
| 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

| | |
|------------------|---|
| 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 time of 16:00 as 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 - An annualised return is the weighted average compound growth rate over the period measured.

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.

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.

- This document was published on 16 October 2024.

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.