STRATEGIC CAPITAL BALANCED PRESCIENT FUND (A1)

MINIMUM DISCLOSURE DOCUMENT & GENERAL INVESTOR REPORT

30 September 2025

INVESTMENT AND RETURN OBJECTIVE
The Fund aims to achieve significant real returns over the long term and to outperform the ASISA category average of the South African - Multi-Asset - High Equity funds over a full market cycle by maintaining meaningful exposure to growth assets like equities.

INVESTMENT PROCESS
The Fund invests across a range of assets including equities and interest bearing instruments, both domestically and offshore. The asset allocation is anchored at the long-term strategic allocation, but can be varied tactically to target outperformance of the benchmark by capitalising on signals of significant market mispricing. Where possible, a process of enhanced indexation is utilised within asset classes to deliver stable incremental alpha.

WHO SHOULD INVEST
Investors seeking significant real returns over the long term but who are cost conscious. The Fund is suitable for investors with a medium to long-term investment horizon and is Regulation 28 compliant.

RISK INDICATOR DEFINITION
These portfolios typically exhibit more volatility and potential for capital losses due to higher exposure to equities and exposure to offshore markets where currency fluctuations may result in capital losses. These portfolios typically target returns in the region of 5% - 6% above inflation over the long term.

RISK INDICATOR

ANNUALISED PERFORMANCE (%)

Not available - New fund, data will be available 12 months after launch.

CUMULATIVE PERFORMANCE

Not available - New fund, data will be available 12 months after launch.

ANNUALISED PERFORMANCE (%)

Not available - New fund, data will be available 12 months after launch.

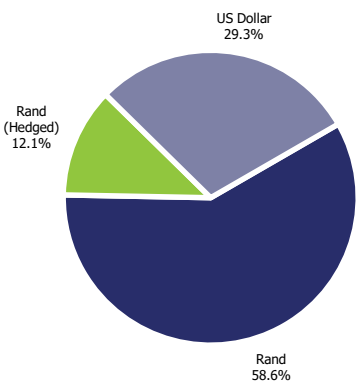
RISK AND FUND STATS

Not available - New fund, data will be available 12 months after launch.

ASSET ALLOCATION (%)

	S.A	DMs	EMs	Total
Equity	23.56	17.24	13.60	54.40
Property	3.55	0.00	0.00	3.55
Gvt. Bonds	9.02	2.85	0.00	11.87
ILB's	0.00	0.00	0.00	0.00
Corp. Bonds	4.84	0.00	0.00	4.84
Pref Shares	0.00	0.00	0.00	0.00
Infrastructure & Renewables	9.78	0.00	0.00	9.78
Cash & Income	7.90	7.66	0.00	15.56
Total	58.65	27.75	13.60	100.00

CURRENCY EXPOSURE



ABOUT THE FUND

Fund Manager:
Bashier Adam/Prescient Balanced Team

Fund Classification:
South Africa - Multi Asset - High Equity

Benchmark:
South Africa – Multi Asset – High Equity

JSE Code:
STCFA1

ISIN:
ZAE000346870

Fund Size:
R41.8 m

No of Units:
26,412,323

Unit Price:
110.71

Inception Date:
05 May 2025

Minimum Investment:
R20 000 000 lump-sum
R1 000 per month

Initial Fee:
0.00%

Annual Management Fee:
0.83% (excl. VAT)

Performance Fee:
None

Fee Class:
A1

Fee Breakdown:

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

Income Distribution:

31 March 2025 - No Distributions

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FUND MONTHLY RETURNS

Not available - New fund, data will be available 12 months after launch.

FUND COMMENTARY

In the United States, a growing economic divide is emerging between higher- and lower-income households as businesses begin passing tariff-related costs onto consumers. These costs stem from the trade policies introduced during the Trump administration. While inflation is rising, it remains below previous peaks. The situation has been further complicated by a federal government shutdown, caused by a political deadlock over budget negotiations. As a result, the Labour and Commerce Departments announced that their statistical agencies would halt the release of key economic data. This includes employment figures for September, construction spending data, and possibly international trade statistics for August. The Bureau of Labour Statistics, Census Bureau, and Bureau of Economic Analysis have all ceased operations until funding is restored.

Europe, meanwhile, continues to feel the effects of the destruction of the Nord Stream pipelines. Germany's economy has stalled, with factory output weakening and unemployment rising to the highest level in a decade. Rising energy costs, interest rates, and structural challenges continue to weigh heavily. France is also under pressure, with its government collapsing over severe budget deficits - currently among the highest in the developed world - raising alarms about the fiscal stability of the eurozone. In contrast, Japan's economy has shown surprising resilience. The Japanese equity market has shown a positive trend with the Nikkei 225 gaining 5.18% in September.

Back in South Africa, the South African Reserve Bank (SARB) also kept its repo rate unchanged at 7%, despite subdued inflation. The SARB is working with the National Treasury to establish a de facto inflation target of 3%, aimed at enhancing policy credibility and laying the groundwork for future rate cuts. However, economists remain divided. Some view the decision as a missed opportunity for economic stimulus, while others stress the need for structural reforms beyond monetary policy. Governor Lesetja Kganyago stated that headline inflation is expected to climb in the coming months, peaking at around 4%. Projections for food and services inflation have been revised upward, though partly offset by a stronger exchange rate. The SARB now expects headline inflation to average 3.4% in 2025 and 3.6% in 2026, before returning to the 3% target in 2027.

South Africa posted modest GDP growth of 0.8% in the second quarter, slightly exceeding expectations. Growth was led by mining, which rose by 3.7%, and manufacturing, which increased by 1.8%. However, the outlook remains concerning. Unemployment rose to 33.2%, gross fixed capital formation declined for the third consecutive quarter, and the construction sector contracted by 0.3%, all of which raise questions about the sustainability of the recovery.

Overall, it has been a good month for equities, with both the MSCI World (+3.2%) and MSCI Emerging Markets (+7.0%) posting positive gains. In South African markets, South Africa's resource companies, particularly gold mining companies, performed strongly in September, while the technology sector experienced a decline. Overall, the Top40 returned 7.8% while bonds and ILBs were up 3.2% and 3.0% respectively.

Fund performance was strongly positive for the month due to continued very positive performance of local equities.

The Fund currently holds a moderately negative view towards South African equity and local bonds.

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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.

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.

% Positive Month: The percentage of months since inception where the Fund has delivered positive return.

FUND 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.

INFORMATION DISCLOSURE

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

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DISCLOSURE

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 TERs. During the phase in period TERs 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 cost is 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 all documents, notifications of deposit, investment, redemption and switch applications must be received by Prescient by or before 14:00 (SA) for all other funds, 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, including actual initial and all ongoing fees, with income reinvested on the reinvestment date.

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

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

CONTACT DETAILS

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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: Strategic Capital Partners (Pty) Ltd, **Registration number:** 2022/353971/07 is an authorised Financial Services Provider (52537) 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:** 119 Witch-Hazel Avenue, Highveld Technopark, Centurion **Postal address:** PO Box 10512, Centurion, 0046 **Telephone number:** +27 12 682 8800 **Website:**www.stratcapital.co.za

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