



FUND OBJECTIVE & STRATEGY

The ClucasGray Equilibrium Prescient Fund is a Regulation 28 compliant, multi-asset high equity fund. The Fund aims to provide long term capital growth ahead of its peer group by delivering both income and capital growth in excess of inflation over time. The Fund aims to achieve these objectives through an active approach to asset allocation, and via superior stock selection. Fundamental analysis, a valuation discipline and a belief that inefficient markets create opportunities in mispriced assets underpin both our asset allocation and stock selection process.

FUND INFORMATION

Table with 2 columns: Field (Portfolio Managers, Inception Date, Fund Size, Unit Price, ASISA Category, Benchmark, Min Lump Sum, Min Monthly Investment, Issue Date, ISIN) and Value (Andrew Vintcent & Grant Morris, 16 January 2015, R1018.2 million, 145.38 cents, South African Multi-Asset High Equity, Market value-weighted average return of ASISA category, R10 000, R1 000, 10 November 2023, ZAE000243838)

WHO SHOULD INVEST

The Fund is an ideal wealth creation vehicle for investors with a medium to long-term investment horizon.

RISK INDICATOR

Generally, these portfolios hold more equity exposure than lower risk profiled portfolios. These portfolios therefore tend to carry more volatility. Expected potential long-term returns could be higher than other risk profiles, in turn potential losses of capital could be higher.

Table with 5 columns: RISK LEVELS (LOW, LOW - MED, MED, MED - HIGH, HIGH). MED - HIGH is highlighted.

NET PERFORMANCE (ANNUALISED) AT 31 OCTOBER 2023

Table with 4 columns: Period (3-Months, 6-Months, 1-Year, 3-Year, 5-Year, Since Inception) and Rows (Fund*, Class B2***, Class B1, Class C**, Peer Group)

CALENDAR YEAR PERFORMANCE

Table with 6 columns: Year (2015* to 2023**), Fund, Class B2***, Class B1, Class C, Peer Group

* Since inception 16 January 2015
** Year to date
*** Class B2 Inception 31 May 2017

ROLLING 12 MONTH RETURN

Table with 4 columns: Metric (Highest, Average, Lowest) and Value (34.2%, 7.9%, -17.6%) for Fund Class C

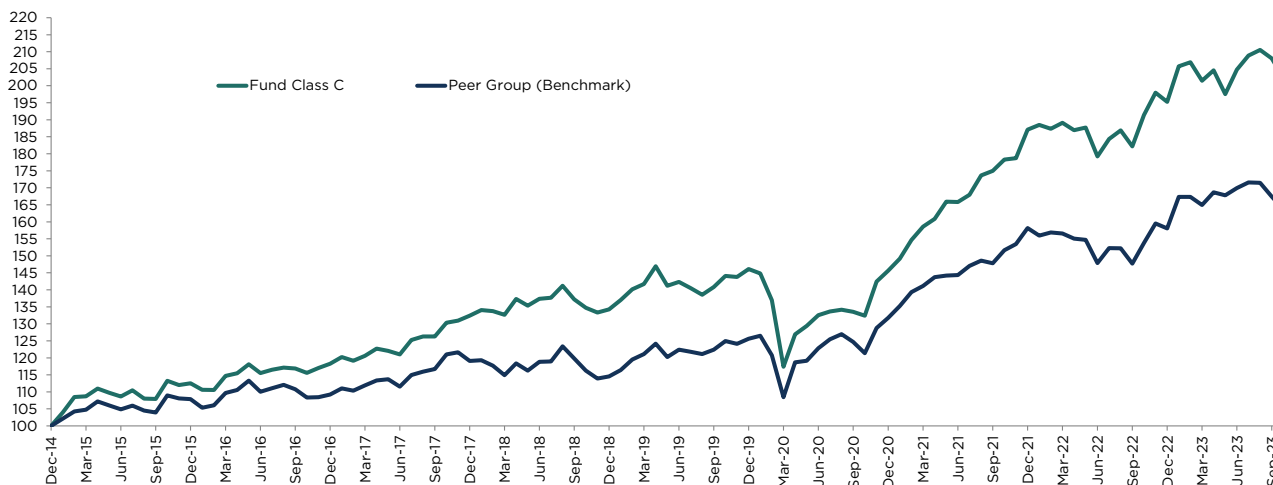
* Fund performance is the net weighted average fee return for the fund
** Highest Fee Class
*** Class B2 Inception 31 May 2017

RISK & FUND STATS (ANNUALISED SINCE INCEPTION)

Table with 2 columns: Stat (Max Drawdown*, Max Gain**, % Positive Months) and Value (-20.1%, 8.1%, 64.2%)

* The maximum peak to trough loss suffered by the Fund since inception.
** Largest increase in any single month.

CUMULATIVE VALUE OF R100 INVESTED AT INCEPTION VS BENCHMARK (ILLUSTRATIVE PERFORMANCE)



Source: Prescient Fund Services 31 Oct 2023

The illustrative investment performance is shown for illustrative purposes only and is calculated by taking the actual initial fees and all ongoing fees into account for the amount shown. Income is reinvested on the reinvestment date.

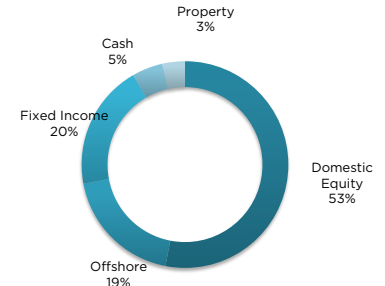

TOP 15 SA EQUITY HOLDINGS

ABSA	MTN
Adcock Ingram	Naspers
AECI	Old Mutual
Anglo American	Reunert
British American Tobacco	Sasol
Firststrand	Standard Bank
Fortress Real Estate	Truworths
Momentum	

The Top 15 holdings make up 35% of the total fund.

FUND ASSET ALLOCATIONS

Asset Class	%
Domestic Equity	53.0%
Foreign Equity	17.1%
SA Cash	4.8%


DISTRIBUTIONS

Distribution Frequency	Annually
Distribution Date	01 April
Last Distribution	6.25 cents per unit

FEE STRUCTURE

TER	Class B2	Class B1	Class C
Annual Management Fee (excl. VAT)	0.75%	0.90%	1.20%
Other Cost	0.14%	0.14%	0.14%
VAT	0.13%	0.15%	0.20%
Total Expense Ratio (incl. VAT)	1.00%	1.17%	1.51%
Transaction Costs (incl. VAT)	0.13%	0.13%	0.13%
Total Investment Charge (incl. VAT)	1.13%	1.30%	1.64%

QUARTERLY COMMENTARY | SEPTEMBER 2023

The 3rd quarter of 2023 was a tough one for global and local equity investors - the MSCI World Index and the JSE Swix Index declined 3.5% & 4.0% respectively in the quarter. As ever in South Africa the quarter saw divergent returns across the major sectors, with the Resources and Industrial Indices both declining over 5%, and Financials gaining nearly 2%. Against this backdrop, the ClucasGray Equilibrium Prescient Fund performed admirably. The fund gained 1.6%, outperforming the peer group (-1.5%) by over 3% in the quarter. As depicted on the fact sheets, the fund has performed well against peer group over all periods since the fund's inception 8 ¼ years ago in January 2011.

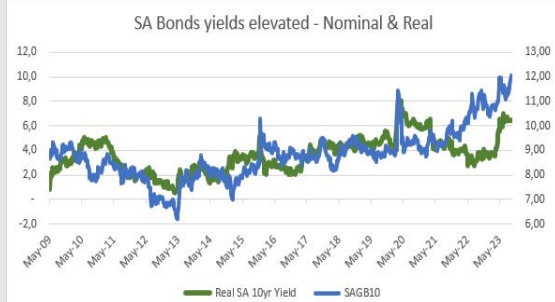
During the quarter a number of key equity holdings performed well. AECI, Fortress B, Grindrod, and Truworths all gained over 20% in the quarter, while Momentum and Sasol both gained over 9%. In the tumultuous quarter referred to earlier, it is to be expected that there would be some detractors. MTN, African Rainbow Minerals, Ethos Capital and Impala all declined by over 10% in the quarter.

Over the last 3 years, the fund has delivered a compound annual return of 14.2% - this compares favourably with the sector average returns of 13.4%. We analysed the major equity contributors to performance over this period, and 7 of the top 10 contributors to the fund's relative outperformance are what we would deem to be mid or smaller cap shares. This aligns closely with our stated objective of striving to take advantage of mispriced opportunities across the market cap spectrum.

Of these 7 companies, 4 were the target of corporate buy-outs and were delisted. We believe that this outcome is in many ways a vindication of our investment and decision making processes - companies we believed to be good businesses trading at the wrong price, being bought out by other companies or private investors who also saw the same value we identified.

We have long articulated the ever expanding opportunity set in South African equities - clearly there are a plethora of reasons for the material de-rating of many companies, including but not limited to the difficult global and local economic backdrop, the ever weakening currency, rising interest rates and the operational impediments caused by loadshedding. Regardless of the near term challenges, we believe we have identified numerous good companies, of all sizes, that can grow their earnings over time, and are trading at appetising prices. We remain of the view that if current valuations persist, more companies will find themselves the targets of buy-outs and join the ranks of the recently delisted - an enticing prospect for current shareholders, and a theme for which we believe we are well placed. The ClucasGray Equilibrium Prescient Fund continues to hold a healthy allocation to South African equities.

Away from equities, South African fixed income has delivered very good returns over time, with the All Bond Index (ALBI) outperforming both the JSE Capped Swix and Inflation since the inception of the Equilibrium Fund in January 2015, in what has arguably been an eventful and at times tumultuous period for South African investors. Yet yields remains stubbornly elevated, dwarfing those experienced in recent crises, namely Nenegate in 2015 and the Covid crisis in March 2020. Much like the equity market, the South African issues of the day are well documented. Our view remains that in due course inflation continues to subside from current levels, implying that real bond yields are around 7%.



The current asset allocation versus the previous quarter is as follows:

Fund Asset Allocation	Q3 2023	Q2 2023
SA Equity	53%	55%
Offshore	20%	18%
Fixed Income	17%	20%
Property	4%	3%
Cash	5%	4%

Whilst South African investors have of late grown accustomed to extremes in our capital markets, we believe these real yields, punitive on so many levels, offer an attractive investment opportunity. The fund continues to be well exposed to fixed income assets.

We have opted not to increase offshore exposure following the changes to the Regulation 28 offshore allowance. Our asset allocation framework is centred around our long term investment objective of delivering real returns. The current dislocation between the domestic opportunity set referred to above, and what we view as modest prospective Rand returns from the large global indices, has resulted in us continuing to be well exposed to South African assets. Looking back over most periods since inception, we are encouraged that fund has been able to deliver on our objective of industry leading returns of Inflation plus 4%. We believe the portfolio is well positioned to continue delivering on these objectives.

The Fund has adhered to its policy objective.

The number of participatory units as at 30 September 2023 was 700 921 098.



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.

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.

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.

Where a current yield has been included for Funds that derive its 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.

The Manager retains full legal responsibility for any third-party-named portfolio. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees.

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.

Max Gain: Largest increase in any single month.

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

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

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.

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.

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.

Default risk: The risk that the issuers of fixed income instruments (e.g. bonds) may not be able to meet interest payments nor repay the money they have borrowed.

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.

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

GLOSSARY SUMMARY

Annualised Performance:

Annualised performance show 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 Returns:

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.

% Positive Months:

The percentage of months since inception where the Fund has delivered positive return.

Net Performance

Unit trust performance is net (after) management fees have been deducted.

CONTACT DETAILS

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 address: 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:

ClucasGray (Pty) Ltd, Registration number: 2005/012445/07 is an authorised Financial Services Provider FSP21117 under the Financial Advisory and Intermediary Services Act (No.37 of 2002), to act in the capacity as investment manager.

This document is for information purposes only and does not constitute or form part of any offer to issue or sell or any solicitation of any offer to subscribe for or purchase any particular investments.

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