# Differential Markov Balanced Prescient Fund

Minimum Disclosure Document and General Investor Report: September 2026

DIFFERENTIAL CAPITAL

## Investment objective

The Fund aims to deliver superior risk-adjusted returns targeting CPI + 5% per annum (after fees), through active, diversified, and data-enhanced portfolio construction — with an emphasis on capital preservation and consistent real growth.

## Investment strategy

A multi-strategy, AI-assisted approach combining systematic asset-allocation signals from Hidden Markov Models with fundamental analysis and ESG integration. The Fund seeks to generate CPI + 3–6% returns above cash (after fees) across market cycles, allocating dynamically across equities, bonds, property, and global assets to optimise return asymmetry and mitigate downside risk.

## Investment policy

The Fund targets CPI + 5% over time while aiming to minimise absolute loss. It uses an AI- and machine-learning–enhanced investment process to allocate across cash, fixed income, listed property and equities, both locally and globally. The portfolio may invest in listed and unlisted instruments, as well as collective investment schemes and ETFs, including offshore exposures where regulatory standards are appropriate. Derivatives may be used for efficient portfolio management and risk mitigation. The Fund is managed in accordance with Regulation 28 of the Pension Funds Act. Asset allocation may be varied in response to market conditions, and the manager reserves the right to close and reopen the Fund to new investors to protect mandate integrity.

## General information

| | |
|---|---|
| Unit price (NAV) | R0.9571 |
| Fund size | R1 499 716 |
| Fund classification | South African Multi-Asset High Equity |
| Benchmark | Peer Average ASISA South African Multi-Asset High Equity |
| Regulation 28 compliant | Yes |
| JSE code | DIMBPFC |
| ISIN number | ZAE000355947 |
| Inception date | 19 December 2025 |
| Minimum investment | R 10 000 or R 500 pm debit order |

## Income distribution and cost ratios

| | |
|---|---|
| Income distribution | Not available - new fund |
| Distribution amount | Not available - new fund |
| Annual management fee | 1.25% p.a |
| Total expense ratio | Not available - new fund |
| Participatory interests | 1.02m units |

## Cost ratios (incl. VAT)

| | |
|---|---|
| Total Expense Ratio (TER %) | *Not available - new fund. Data will be available 12 months after launch.* |
| Performance Fee (PF) incl. in TER | |
| Transactions Costs Ratio (TC%) | |
| *Total Investment Charges (TIC%) | |

**Total Investment Charges (TIC%)= TER (%) + (TC%)*

## Key fund information

| | |
|---|---|
| Risk profile | Moderate-aggressive |
| Subscriptions | Not available - new fund |
| Redemptions | Not available - new fund |
| Fund administrators | Prescient Fund Services (Pty) Ltd |
| Fund auditors | Ernst & Young Incorporated |
| Management company | Prescient Management Company (RF) Pty Ltd |
| Portfolio Managers | Vincent Anthonyrajah, Musa Malwandla, Sam Houlie |



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Prescient Commodities

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## Fund performance (net of fees) with returns analysis

| | Fund | Bmk | Peer average |
|---|---|---|---|
| Year-to-date 2026 | | | - |
| Rolling 12 months | | | |
| Annualised return since inception | | | |
| Cumulative return since inception | | | |

*Not available - new fund. Data will be available one month after launch.*

**Differential Capital – all performance figures are net of fees.*

| | Fund | Date range |
|---|---|---|
| Highest rolling 1-year return (since inception) | | |
| Lowest rolling 1-year return (since inception) | | |

*Not available - new fund. Data will be available 12 months after launch.*

**Differential Capital – all performance figures are net of fees.*

## Risk statistics analysis

| Monthly returns | Fund | Peer average |
|---|---|---|
| Sharpe ratio | | |
| Sortino ratio | | |
| Standard deviation | | |
| Best month | | |
| Worst month | | |
| Highest rolling 12 months | | |
| Lowest rolling 12 months | | |
| Largest cumulative drawdown | | |
| % positive months (since inception) | | |
| Correlation (monthly) | | |
| Value at Risk (VaR) 95% | | |

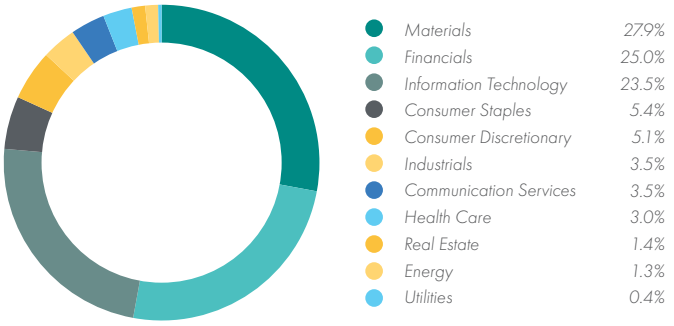
*Not available - new fund. Data will be available after launch.*

*Differential Capital, September 2026.*

## Asset allocation and equity sector exposure

| | Equity | Bonds | Cash | Property | Total |
|---|---|---|---|---|---|
| SA | 38.1% | 22.4% | 23.6% | - | **84.1%** |
| Foreign | 15.9% | - | - | - | **15.9%** |
| **Total** | **54.0%** | **22.4%** | **23.6%** | **0.0%** | **100.0%** |

## Equity exposure




**Illustrations used are not guaranteed and are provided for illustrative purposes only.*

## Top 10 holdings

| 30 September 2026 | Fund |
|---|---|
| Prosus NV | 3.6% |
| Glencore Xstrata Plc | 3.5% |
| Naspers Ltd - N Shares | 3.5% |
| South Africa, Republic of (Government) 8.75% 28-Feb-2048 | 3.1% |
| Reinet Investments S.C.A | 2.8% |
| South Africa, Republic of (Government) 8.875% 28-Feb-2035 | 2.6% |
| South Africa, Republic of (Government) 8.5% 31-Jan-2037 | 2.5% |
| South Africa, Republic of (Government) 10.5% 21-Dec-2026 | 2.4% |
| South Africa, Republic of (Government) 8.25% 31-Mar-2032 | 2.4% |
| South Africa, Republic of (Government) 9% 31-Jan-2040 | 2.3% |

***Note:*** *there were no material changes to the composition of the Fund portfolio during the quarter.*

## Monthly return performance (net of fees)

| | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2025 | Fund | | | | | | | | | | | | | |
| | *Bmk* | | | | | | | | | | | | | |
| 2026 | Fund | | | | | | | | | | | | | |
| | *Bmk* | | | | | | | | | | | | | |

*Not available - new fund. Data will be available one month after launch.*

*Differential Capital, September 2026*

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## General 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. CISs 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 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.

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 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.

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

## 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 and 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.

**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

**% positive months:** the percentage of months since inception where the Fund has delivered positive return.

**Average duration:** the weighted average duration of all the underlying interest bearing instruments in the Fund.

**Average credit quality:** The weighted average credit quality of all the underlying interest bearing instruments in the Fund (internally calculated).

**Dividend yield:** the weighted average dividend yield of all the underlying equity in the Fund. The dividend yield of each company is the dividends per share divided by the price.

**PE ratio:** the weighted average price earnings ratio of all the underlying equity in the Fund. The price earnings ratio of each company is the price divided by the earnings per share.

**High water mark:** the highest level of performance achieved over a specified period.

## Risk profile

**Moderate-aggressive/Medium-high**

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.

## Disclaimer for fund-specific risks

**Leverage risk:** this means that the Fund borrows additional funds, or trades on margin, to amplify investment decisions. This means that the volatility of the hedge fund portfolio can be many times that of the underlying investments. The degree to which leverage may be employed in any given hedge fund portfolio will be limited by the mandate the client has with the Fund.

**Market capitalisation risk:** the securities of small-to-medium-sized (by market capitalisation) companies, or financial instruments related to such securities, may have a more limited market than the securities of larger companies and may involve greater risks and volatility than investments in larger companies. Accordingly, it may be more difficult to effect sales of such securities at an advantageous time or without a substantial drop in price than securities of a company with a large market capitalisation and broad trading market. In addition, securities of small-to-medium-sized companies may have greater price volatility as they are generally more vulnerable to adverse market factors such as unfavourable economic reports.

**Settlement risk:** it is possible that settlement via a payment system will not take place as expected because payment or delivery by a counterparty fails to take place or is not in accordance with the initial conditions. This risk exists to the extent that the fund invests in regions where the financial markets are not yet well developed and includes stock exchanges or markets on which the fund may trade derivatives which may not be the same as those in more developed markets. This risk is limited, but still present, in regions where the financial markets are well developed.

**Custodian risk:** it is possible that the assets of a fund that are held in custody may be lost as a result of insolvency, negligence or fraud on the part of the Custodian or any Sub-Custodian.

**Concentration risk:** certain funds may invest a large proportion of total assets in specific assets or in specific markets. This means that the performance of those assets or markets will have a substantial impact on the value of the fund's portfolio. The greater the diversification of the fund's portfolio, the smaller the concentration risk. Concentration risk will also be higher in more specialised markets (e.g., a specific region, sector or theme) than in widely diversified markets (e.g., a worldwide allocation).

**Performance risk:** the risk of lower returns in a fund may vary depending on the choices made by the Manager or any Investment Manager, as well as the existence or non-existence of, or restrictions upon, any third- party security. The risk depends in part on the market risk and on how active the Manager is in the management of the Fund.

**Capital risk:** the capital value of Shares of a fund may be affected by various risks to capital, including the potential risk of erosion due to the redemption of Shares and the distribution of profit in excess of the investment return. This risk can be limited by loss-mitigation, capital- protection or capital-guarantee techniques.

**Repatriation risk:** it may not be possible for funds to repatriate capital, dividends, interest and other income from certain countries, or it may require government consents to do so. Funds could be adversely affected by the introduction of, or delays in, or refusal to grant any such consent for the repatriation of funds or by any official intervention affecting the process of settlement of transactions. Economic or political conditions could lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions. Repatriation Risk is higher in the case of funds or underlying investments subject to restrictive laws or regulations.

**Inflation risk:** some funds may invest in securities whose value can be adversely affected by changes in inflation, for example, bonds with a long term to maturity and a fixed coupon. Although many companies in which a fund may hold Shares may have operated profitably in the past in an inflationary environment, past performance is no assurance of future performance. Inflation may adversely affect any economy and the value of companies' Shares.

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**Interest rate risk:** the values of bonds and other debt securities usually rise and fall in response to changes in interest rates. Declining interest rates generally raise the value of existing debt instruments, and rising interest rates generally lower the value of existing debt instruments. Changes in a debt instrument's value usually will not affect the amount of income the fund receives from it but will affect the value of the fund's units. Interest rate risk is generally greater for investments with longer maturities.

**Liquidity risk:** not all securities or instruments (including derivatives and subinvestment grade bonds) invested in by the funds will be listed or rated and consequently liquidity may be low. Moreover, the accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. The funds may also encounter difficulties in disposing of assets at their fair price due to adverse market conditions leading to limited liquidity.

**Redemption risk:** large redemptions of Shares in a fund might result in the fund being forced to sell assets at a time and price at which it would normally prefer not to dispose of those assets.

**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. The issuers credit quality is vital. The worse the credit quality, the greater the risk of default and therefore investment loss.

**Currency risk:** assets of a fund may be denominated in a currency other than the Base Currency of the fund and changes in the exchange rate between the Base Currency and the currency of the asset may lead to a depreciation of the value of the fund's assets as expressed in the Base Currency. It may not be possible or practical to hedge against such exchange rate risk. The fund's Investment Manager may, but is not obliged to, mitigate this risk by using financial instruments.

**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.

**Credit risk:** there can be no assurance that issuers of the securities or other instruments in which a Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or instruments or payments due on such securities or instruments. Funds will also be exposed to a credit risk in relation to the counterparties with whom they transact or place margin or collateral in respect of transactions in financial derivative instruments and may bear the risk of counterparty default.

**Correlation risk:** the prices of financial derivative instruments may be imperfectly correlated to the prices of the underlying securities, for example, because of transaction costs and interest rate movements. The prices of exchange traded financial derivative instruments may also be subject to changes in price due to supply and demand factors.

**Foreign exchange risk:** where a fund utilises derivatives, which alter the currency exposure characteristics of transferable securities held by the fund the performance of the fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the fund may not correspond with the securities positions held.

**OTC markets risk:** unlisted derivative instruments i.e. OTC derivative instruments will be limited to unlisted forward currency, interest rate or exchange rate swap transactions and will only be permitted for the purposes of efficient portfolio management. Where any fund acquires securities on OTC markets, there is no guarantee that the fund will be able to realise the fair value of such securities due to their tendency to have limited liquidity and comparatively high price volatility.

**Counterparty risk:** each fund will have credit exposure to counterparties by virtue of positions in swaps, repurchase transactions, forward exchange rate and other financial or derivative contracts held by the fund. To the extent that a counterparty defaults on its obligation and the fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights.

**Derivative Trading is Speculative and Volatile**

Substantial risks are involved in trading futures, forward and option contracts and various other instruments in which the fund intends to trade. Certain of the instruments in which the fund may invest are interest and foreign exchange rate sensitive, which means that their value and, consequently, the Net Asset Value, will fluctuate as interest and/or foreign exchange rates fluctuate. The fund's performance, therefore, will depend in part on its ability to anticipate and respond to such fluctuations in market interest rates, and to utilise appropriate strategies to maximize returns to the fund, while attempting to minimize the associated risks to its investment capital. Variance in the degree of volatility of the market from the fund's expectations may produce significant losses to the fund. Investors should take cognizance of the fact that there are risks involved in buying and selling any financial product.

## Contact Details

### Management Company

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### Trustee

Nedbank Investor Services

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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 SA.*

### Investment Manager

Differential Capital (Pty) Ltd, Registration number 2018/489440/07 is an authorised Financial Services Provider (FSP49982) 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.

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This portfolio operates as a white label fund under the Prescient Unit Trust Scheme, which is governed by the Collective Investment Schemes Control Act. Investors should take cognizance of the fact that there are risks involved in buying and selling any financial product.

The portfolio has adhered to its policy objective.

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