IJG PRESCIENT SA EQUITY FUND A1

MINIMUM DISCLOSURE DOCUMENT

INVESTMENT AND RETURN OBJECTIVE

The Fund's investment objective is to create wealth for investors over the long-term. The portfolio aims to outperform a benchmark representing the performance of the broad South African equity market. Given the nature of the portfolio asset class, the portfolio aims at achieving a higher risk-adjusted return than the selected benchmark.

INVESTMENT PROCESS

The Fund applies a bottom-up approach with the aim of identifying and investing in undervalued securities across all sectors of the JSE Securities Exchange. At all times, the fund will at minimum have a 90% exposure to equity instruments.

WHO SHOULD INVEST

The Fund is suited to investors who seek capital growth over a long-term investment horizon. An investment horizon of 5+ years is recommended.

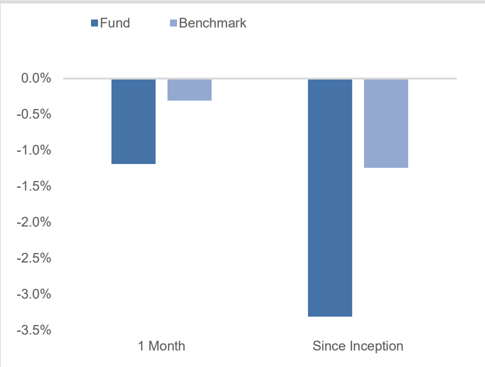
RISK INDICATOR DEFINITION

At all times, this portfolio will have at least a 90% exposure to equity instruments, which may result in capital volatility over the shorter term. These portfolios typically target returns in the region of 5 - 7% above inflation over the long term.

RISK INDICATOR

AGGRESSIVE

PERFORMANCE (%)



CUMULATIVE PERFORMANCE

N/A – Chart will be available after fund has been active for at least one-year

PERFORMANCE (%)

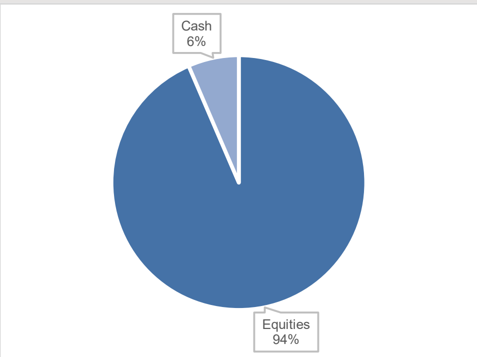
	Fund	Benchmark
YTD*	-	-
1 Month	-1.2	-0.3
3 Months*	-	-
1 Year*	-	-
Since inception	-3.3	-1.2
Highest rolling 1 year*	-	-
Lowest rolling 1 year*	-	-

All fund performance figures are net of fees
* – Not available due to fund's launch date

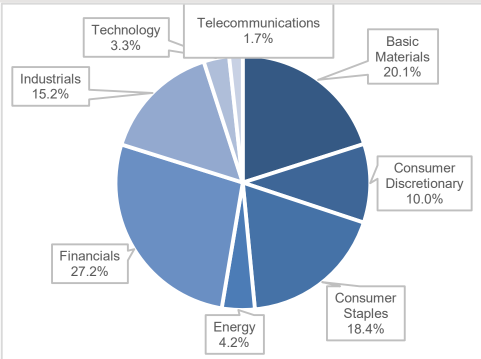
RISK AND FUND STATS

Since Inception	Fund	Benchmark
Alpha	-2.1%	
Sharpe Ratio*	-	-
Sortino Ratio*	-	
Information Ratio*	-	
Standard Deviation*	-	-
Max Drawdown*	-	-
% Positive Months*	-	-
No. of Holdings	27	
Dividend Yield	5.1%	2.3%

ASSET ALLOCATION



SECTOR ALLOCATION



31 DECEMBER 2024

ABOUT THE FUND

Investment Manager:
IJG Investment Managers (Pty) Ltd

Portfolio Manager:
Chidera Onwudinjo, CA(NAM), CFA

Fund Classification:
CMA – Equity – General

Benchmark:
FTSE/JSE Capped SWIX All Share Index

JSE Code:
IJGAA1

ISIN:
ZAE000339941

Fund Size:
NAD 35.94 million

Inception Date:
17 October 2024

Minimum Investment:
N$ 10 000 Lump Sum
N$ 1 000 per month

Initial Fee:
0.00%

Annual Management Fee:
1.00%

Fund Fact Sheet Class:
A1

Fee Breakdown:

Management Fees	1.00%
Performance Fees	0.00%
Other Fees*	N/A
Total Expense Ratio (TER)	N/A
Transaction Costs (TC)*	N/A
Total Investment Charge	N/A

*Other fees include underlying fees (where applicable): Audit Fees, Custody Fees and Trustee Fees
*Actual TER, Transaction Costs (TC) and Total Investment Charge (TIC) will be provided once fund has been active for at least one year.

Distributions:
Bi-annually, on 31 March and 30 September each year.

Web: www.ijgunittrusts.net

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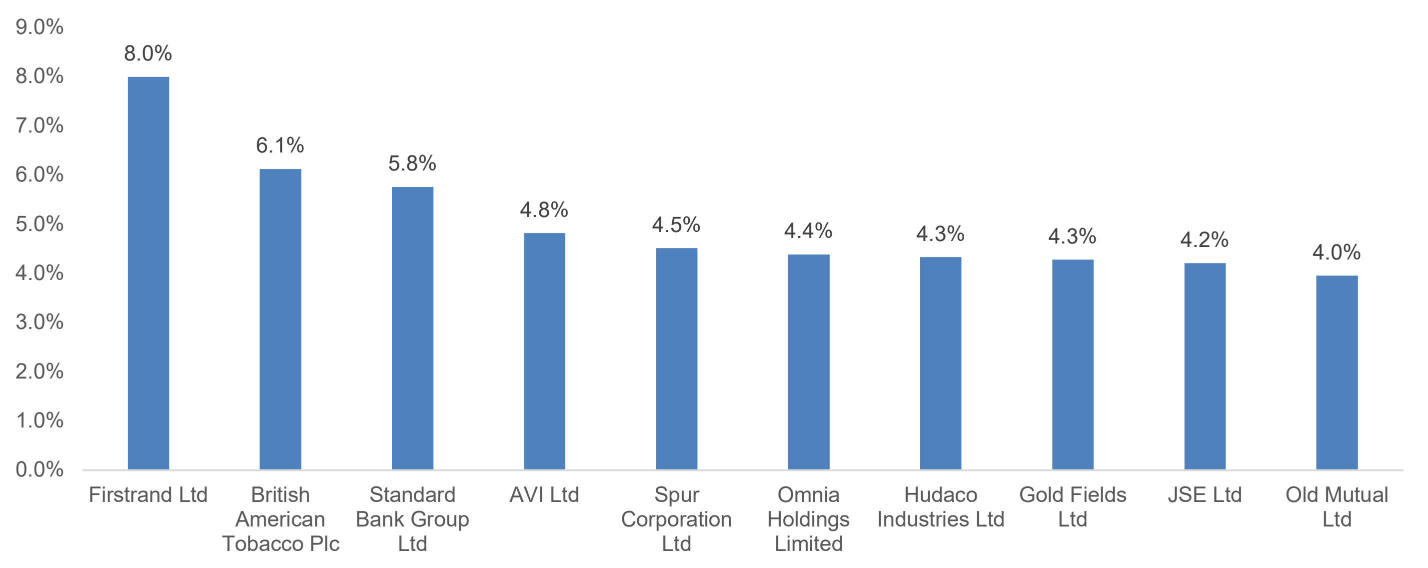
TOP 10 HOLDINGS



FUND MONTHLY RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2024											-2.1%	-1.2%	-3.3%

FUND COMMENTARY

Three highest performers during the month:

- Wilson Bayly Holmes – Ovcon (**14.29%**)
- MTN Group (**13.93%**)
- Hudaco Industries (**7.73%**)

Three lowest performers during the month:

- Sibanye Stillwater (**-16.22%**)
- Northam Platinum Holdings (**-13.40%**)
- Anglogold Ashanti PLC (**-6.90%**)

Compliments of the new year! For those that have returned to work (or school), we hope you enjoyed a well-deserved break filled with quality time alongside those you love and care for. For the fortunate few still on holiday, we wish you more days of relaxation!

Let's talk about 2024. Another calendar year has come and gone. There is no doubt that 2024 was a welcomed year in the market, whether as an investor in South African stocks or in any of the other major markets we follow. As an investor in our portfolio, you would have earned a double-digit calendar return for the first time since 2021 (when the portfolio returned an impressive **28.07%**).

With the average rise in the local cost of living at 3% over the past year, our portfolio managed to deliver a **7.32%** real return. Said differently, your personal wealth not only kept pace with inflation, but in fact grew by an additional **7.32%**. In doing so, the portfolio is delivering on one of its two mandates:

- **Beat inflation** - The aim of an actively managed equity portfolio is to achieve a return in excess of its selected benchmark over a rolling timeframe typically between 5 to 10 years (depending on the investment strategy). **However**, first and foremost, such a portfolio must deliver a return greater than inflation. This is the expected reward for taking on the "added risk" associated with equities. By achieving this, the investor's buying power experiences real growth over time.

Often, in discussing outperformance vs underperformance, we may lose sight of this critical point. As a result, an investor may express disappointment with their portfolio when, in the grand scheme of things, they have grown wealthier.

Taking inspiration from Apple Music and Spotify, it's only fitting that we provide you a recap of the major market and geopolitical events from the past year:

- Voters in more than 60 countries went to the polls, including Namibia, South Africa and global superpower, USA. Notably, our neighbours saw the formation of a coalition government after the ANC lost its parliamentary majority for the first time. Across the pond, former US president, Donald Trump, successfully ousted Kamala Harris in the presidential election, securing his return to office for a second term.
- In April, Israel conducted an airstrike on the Iranian embassy in Damascus, Syria, resulting in 16 fatalities. Iran retaliated with drone attacks targeting Israel, escalating regional tensions. Similarly, in September, the deadliest day of conflict in Lebanon since 2006 unfolded, with Israeli strikes causing over 270 deaths, further destabilizing the region.
- The Federal Reserve began its rate cutting cycle in September. The South African Reserve Bank followed suit.
- Artificial Intelligence (AI) continued to dominate the market narrative, with Nvidia, the posterchild, spearheading a US market bull run. Bitcoin and cryptocurrencies also returned to the forefront of mainstream news. The currency, nicknamed "Digital Gold" by some, rose **121.00%** during the year. Actual, tangible gold also delivered its best annual return since 2010, rising **26.00%.**
- 31 December 2024 marked the 281st consecutive day without loadshedding in South Africa.

Looking ahead to 2025. At this time of year, investors and clients often ask "What do you forecast for the next year? What is your outlook for South African stocks?”.

The truth is that no one knows. If it were possible to reliably predict future market trends and asset performance, the industry would be filled with more highly concentrated, high-conviction funds than we currently see. The entire premise of portfolio diversification exists for this very reason. However, what remains objectively true (and underpins our continued bullishness on South African stocks) is that the South African market remains undervalued, both relative to its history and to its global peers. Recent M&A interest from foreign investors further supports this case. As industry titan Piet Viljoen highlighted in his weekly newsletter:

“Once again, a foreign investor is swooping on a South African company, hoping to take it private. They obviously see something here that we locals don’t.

I’ve been banging on this drum for a while. We just don’t seem to want to properly value our local businesses, many of which are run by excellent management teams with good capital discipline. Some even have limited competition due to the dearth of capital in the local market.

Yesterday, it was announced that the Zahid group – a Saudi Arabian conglomerate - in conjunction with the CEO, wants to take Barloworld private. There are many reasons why a company would want to go private, but being undervalued always features high on the list. The offer is R120 per share, a significant premium to the trading range it has been stuck in for the past few years.

Later in the day, news broke that UK investment manager Silchester would not sell for less than R130 per share. So, we have a situation in which an offshore buyer wants to take it private, and an offshore investor says the price needs to be higher.

A quick perusal of the shareholders’ register shows that local institutions own only a tiny portion, which explains their lack of interest and, I guess, the low share price.

Many South African companies have been or are the subject of take-private offers from foreign buyers:

- Most famously, AB InBev acquired SAB
- Heineken acquired Distell
- Ardagh Group acquired Consol
- DP World buying Imperial Logistics

And many other small companies as well.”

This theme is one we also discussed in our April 2024 portfolio commentary in response to BHP’s takeover bid for Anglo American and Canal+’s approach to acquire Multichoice Ltd. The message remains clear: there is value in the South African market.

On that note, we wish you all the best for 2025!.

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GLOSSARY

Alpha: Represents the outperformance of the fund over the benchmark.

Highest and Lowest Rolling 1 Year Performance: Represents the highest and lowest performance over a continuous 12-month period, reported by the Fund since inception.

Sharpe Ratio: Indicates the excess return the portfolio delivers over the risk-free rate per unit of risk assumed by the fund.

Sortino Ratio: A variation of the Sharpe Ratio. This measure indicates the excess return the portfolio delivers over the risk-free rate per unit of downside risk assumed by the fund.

Standard Deviation: Measures how much the investment returns deviate from their mean.

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

% Positive Months: The percentage of months since inception where there was a positive return on the Fund.

No. of Holdings: The number of securities held by the Fund.

Dividend Yield: Total dividends (gross) expected to accrue to the Fund, divided by the market value of all securities held by the Fund.

Total Expense Ratio (TER%): The percentage of the net asset value (NAV) of the fund incurred as expenses relating to the administration of the Fund.

Transaction Costs (TC%): The Transaction Costs (TC) is the percentage of the net asset value (NAV) of the fund incurred as costs relating to the buying and selling of the securities underlying the Fund.

SPECIFIC RISKS

Market risk: The possibility that an investment loses value due to temporary fluctuations in the overall market. This can be caused by factors like economic downturns, political events or changes in investor sentiment.

Liquidity risk: The risk that an investor will not be able to buy or sell an investment quickly without affecting its price significantly. This can occur in markets with low trading volumes.

Inflation risk: The risk that the returns on an investment will not keep pace with inflation, eroding the purchasing power of the returns over time,

Interest rate risk: The risk that changes in interest rates will affect the value of investments, particularly fixed-income securities like bonds. When interest rates rise, bond prices typically fall, and vice versa.