

SAFFRON GLOBAL ENHANCED INCOME FUND

a sub-Fund of Prescient Fund Services (Ireland) Limited

CLASS A2

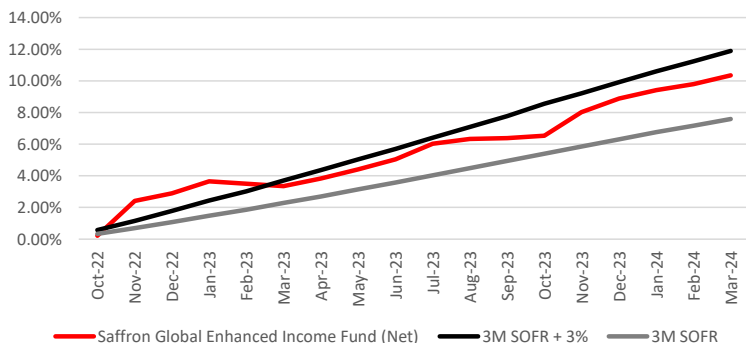
Minimum Disclosure Document (MDD) and General Investor Report
31 March 2024



Fund Performance

Since launch cumulative performance graph

Monthly Fund Returns Since Inception (Cumulative)



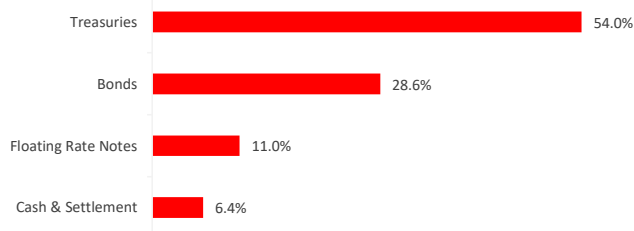
| Monthly % | Apr'23 | May'23 | Jun'23 | Jul'23 | Aug'23 | Sep'23 | Oct'23 | Nov'23 | Dec'23 | Jan'24 | Feb'24 | Mar'24 |
|-----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Fund | 0.49 | 0.59 | 0.62 | 0.98 | 0.29 | 0.06 | 0.15 | 1.48 | 0.86 | 0.52 | 0.39 | 0.55 |
| Benchmark | 0.59 | 0.67 | 0.65 | 0.68 | 0.67 | 0.70 | 0.70 | 0.68 | 0.77 | 0.68 | 0.70 | 0.70 |

| Yearly % | Mar'23 | Mar'24 |
|-----------|--------|--------|
| Fund | 3.37 | 7.22 |
| Benchmark | 3.76 | 8.53 |

| | Cumulative Return (%) | | Annualised Return (%) | |
|-----------|-----------------------|-----------|-----------------------|-----------|
| | Fund | Benchmark | Fund | Benchmark |
| 1 Year | 7.22 | 8.55 | 7.22 | 8.55 |
| 3 Years | | | | |
| 5 Years | | | | |
| 10 Years | | | | |
| Inception | 10.83 | 12.61 | 7.07 | 8.22 |

Fund Holdings

Asset Allocation (%)



Risk Statistics (1 Year Rolling)

| | |
|--------------------|-------|
| Standard Deviation | 0.39% |
| Sharpe Ratio | 0.38 |
| Information Ratio | -0.26 |

Highest and Lowest Annual Returns

Time Period: Since Inception to 31/03/2024

| | |
|------------------|------|
| Highest Annual % | 6.54 |
| Lowest Annual % | 5.23 |

Risk Profile

Low-Moderate Risk

The risk indicator is determined using historical data or, where historical data is not available, using simulated historical data. Historical data, such as is used in calculating the synthetic indicator, may not be a reliable indication of the future risk profile of the Fund. The risk category shown is not a target or a guarantee and may change over time. A category 1 fund is not risk free, the risk of loss is small but the chance of making gains may also be limited. With a category 7 fund, the risk of losing money is high but so also is the possibility of making gains. The risk indicator for the Fund is set at 3 as this reflects the market risk arising from proposed investments.

Fund Objective

The Saffron Global Enhanced Income Fund is an actively managed global fixed income portfolio that seeks to generate a high level of income and capital appreciation over the medium to long term with a global focus.

Investment Policy

In order to achieve this objective, investments normally included in the portfolio will comprise a combination of assets in liquid form, bonds, inflation linked bonds, loan stock, notes, debentures, debenture bonds, convertible bonds, preference shares, listed property securities and property related securities, money market instruments, corporate debt, equity securities, convertible equities, other interest-bearing securities and non-equity securities. The portfolio may also invest in participatory interests and other forms of participation in portfolios of collective investment schemes. The portfolio may from time to time invest in listed and unlisted financial instruments. The manager may also include forward currency, interest rate and exchange rate swap transactions for efficient portfolio management purposes.

Fund Information

| | |
|----------------------------|-----------------------------|
| Fund Manager | Brandon Quinn, CFA |
| Assistant Fund Manager | Anina Swiegers, CFA |
| Launch Date | Thursday, 29 September 2022 |
| Fund Size | USD 12.23 million |
| NAV Price (Fund Inception) | 100.00 cents |
| NAV Price as at month end | 110.35 cents |
| Bloomberg Code | PGSGEA2 ID |
| ISIN Number | IE000640LFP1 |
| Fund Classification | Global Bond UCITS |
| Units | 1539.04 |
| Benchmark | CME Term 3-Month SOFR +3% |
| Minimum Investment Amount | USD 5,000 |
| Fee Class | A2 |
| Valuation | Daily |
| Portfolio Valuation Time | 17:00 (New York) |
| Transaction Cut Off Time | 10:00 (Ireland Rep.) |
| Regulation 28 Compliant | N/A |

Distribution History (cents per unit)

| | |
|-------------------------|--------------------|
| Income Declaration Date | Accumulating Class |
| Income Payment Date | N/A |

Cost Ratios*

| | TER: | TC: | TIC: |
|---|--|--|-------|
| | 0.60% | 0.00% | 0.60% |
| The % of the value of the Fund was incurred as expenses relating to the administration of the Fund. | The % of the value of the Fund was incurred as costs relating to the buying and selling of the assets underlying the Fund. | The % of the value of the Fund was incurred as costs relating to the investment of the Fund. | |

Fees (Incl. VAT)

| | |
|----------------------------|---------|
| Annual Service Fee | 0.75 |
| Initial Advisory Fee (Max) | - |
| Annual Advice Fee | - |
| Initial Fee | - |
| Performance Fee | N/A |
| Monthly Fixed Admin Fee | USD 625 |

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.

Highest & 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.

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

Sharpe Ratio: 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 Month: 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.

Total Expense Ratio (TER%): The Total Expense Ratio (TER) is the percentage of the net asset value of the class of the Financial Product incurred as expenses relating to the administration of the Financial Product.

Transaction Costs (TC%): The Transaction Costs (TC) is the percentage of the net asset value of the Financial Product incurred as costs relating to the buying and selling of the assets underlying the Financial Product. Total Investment Charges TIC (%) = TER (%) + TC (TIC), the TER + the TC is the percentage of the net asset value of the class of the Financial Product incurred as costs relating to the investment of the that a TIC is the sum of two calculated ratios (TER+TC).

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. 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 TER's. During the phase in period TER's 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. 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 Fund Services (Ireland) Ltd by or before 10:00 (Irish time), 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 Fund Services (Ireland) Ltd shall not be obliged to transact at the net asset value price as agreed to. Funds are priced at 17:00 (New York time) depending on the nature of the Fund. 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. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestments and dividend withholding tax. Full performance calculations are available from the manager on request.



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 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 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 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 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.

The fund has adhered to its policy objective as stated in the supplement.

Investment Manager

Saffron Wealth (Pty) Ltd

(FSP) License No. 34638

Physical Address: B6 Octo Place, Electron Road, Technopark, Stellenbosch, 7599

Postal Address: Suite 426, Private Bag X5061, Stellenbosch, 7599

Tel: +27 (21) 880 7080

Email: info@saffronwealth.com

Website: www.saffronwealth.com

Management Company Information

Prescient Fund Services (Ireland) Limited

Physical Address: 35 Merrion Square East, Dublin 2, D02 KH30, Ireland

Postal Address: 33 Sir John Rogerson's Quay, Dublin 2, Ireland

Tel: +353 1 676 6959

Email: info@prescient.ie

Website: www.prescient.ie

Trustee / Depository Information

Northern Trust Fiduciary Services (Ireland) Limited

Physical Address: Georges Court, 54-62 Townsend Street, Dublin 2, Ireland

Tel: +353 1 542 2000

Website: www.northerntrust.com

Representative Office

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

Tel: +27 800 111 899

E-mail: info@prescient.co.za

Website: www.prescient.co.za

The Saffron Global Enhanced Income Fund is registered and approved under Section 65 of the Collective Investment Schemes Control Act 45 of 2002. For any additional information such as fund prices, brochures and application forms please go to www.prescient.co.za

Fund Manager Quarterly Comment - As at 31 March 2024

The Saffron Global Enhanced Income Fund posted a 1.47% gain in the first quarter of 2024, falling slightly behind its benchmark, the Secured Overnight Financing Rate (SOFR) +3%, which returned 1.98%. The fund remains cautiously positioned to seize potential opportunities in the changing global economic landscape.

Over the quarter, the top-performing asset class was US Treasuries, returning c. 52 basis points, followed by senior unsecured banking instruments at c. 49 basis points, and AT1 securities at c. 42 basis points.

In developed markets, the US Dollar remained strong, with the Dollar Index gaining c. 5.0% due to revised interest rate expectations, with the market anticipating fewer rate cuts later in the year. Conversely, the Euro index lost c. 3.4% over the quarter, influenced by expectations of a divergence in interest rate policies between the US and Eurozone.

Emerging Markets exhibited mixed performance. The South African Rand saw significant depreciation, losing c. 5.50% against the dollar and c. 1.00% against the Euro, despite the Euro's own weakening. The majority of the Rand's decline is attributed to market concerns ahead of the upcoming elections in South Africa. Despite the Rand's downturn, other emerging markets showed strength; the Mexican Peso appreciated by c. 2.50% against the dollar, and the Indian Rupee maintained a relatively stable performance, only losing c. 0.13% against the Dollar.

Over the quarter, equities significantly outperformed bonds. The MSCI World Index posted robust gains, surging by 9.01%, while the MSCI Emerging Markets Index also grew, albeit more modestly, by 2.44%. In contrast, the high yield bond markets presented a mixed picture; the US High Yield Index saw a gain of 1.90%, but the S&P Global Corporate High Yield Index declined by 1.28%. Similarly, the S&P US Aggregate Bond Index experienced a slight downturn, dropping by approximately 0.5%. Emerging market (EM) bonds performed somewhat better, yet still lagged equities, with a return of 1.75% for the quarter.

The US bond curve lifted significantly over the quarter, reflecting the evolving market outlook on anticipated Federal Reserve rate cuts. Initially, there was an expectation for rate reductions as early as January 2024. However, unexpectedly high inflation readings prompted a more cautious stance from the Fed, consequently delaying the onset of the rate-cutting cycle. The Federal Reserve held interest rates steady at a 23-year high of 5.50% for the third consecutive quarter, as it awaits more definitive signs that inflation is under control. Inflation edged up from 3.1% to 3.5% over the quarter, causing the Fed to forego any immediate rate cuts. Fed Chair Powell remains optimistic about the possibility of two rate cuts in the upcoming year, stressing however that they are data dependent. The change in stance resulted in the 2-Year Treasury yield increasing from 4.25% to 4.63%, and the 10-Year Treasury yield climbing from 3.88% to 4.21%. These changes underscore the Fed's "higher for longer" approach in response to the persistent inflation. Despite these fluctuations, the spread in the US 10-year versus 2-year inversion remained almost unchanged, starting the quarter at 38 basis points and closing at 39. US short-dated debt continued to offer attractive yields, maintaining a steady rate of c. 5.36% throughout the period.

In Europe, inflation showed a modest improvement, declining by 0.4% to end the quarter at 2.4% yoy. The decrease was primarily due to lower prices for food and goods. While wage growth has moderated, service price inflation remains high, continuing to exert upward pressure on overall prices. The European Central Bank (ECB) has indicated it is not in a hurry to cut rates and is not aligning its policies with the Fed's actions. The ECB aims to keep rates restrictive to ensure inflation targets are met.

In credit markets, 5-Year USD sovereign credit default swaps (CDS) decreased, moving from 41.1 basis points to 35.0 basis points over the quarter. Notably, South Africa saw a significant increase of 50 basis points, closing the quarter at 253, driven by the uncertainties surrounding its upcoming elections and potential impacts from coalition formations. This contrasted with minor changes in Brazil and Mexico, which only widened by about 4 basis points each. The mixed movements in CDS spreads across different emerging markets highlight varying perceptions of risk and uncertainty, particularly with South Africa's political landscape seen as potentially disruptive. Additional Tier 1 (AT1) had a slower quarter compared to Q4 2023 with the iBoxx CoCo Liquid Developed Europe AT1 returning 2.9% over the quarter compared to the return of last quarter of 7.53%. This muted performance reflects a broader risk-off sentiment influenced by expectations that interest rates will remain high for an extended period.

China's Purchasing Managers Index (PMI) showed significant improvement, recording three consecutive months of gains, from 50.8 to 51.1. This indicates a rising demand for Chinese goods both domestically and internationally. Economic activity in China also saw a robust increase, with a yoy growth rate of 5.3%, surpassing the forecast of 4.8%. Despite setting a 2024 growth target of 5.0%, concerns persist, primarily because the manufacturing sector has disproportionately driven economic expansion while consumer sectors lagged. Significant growth in manufacturing has been fueled by heightened demand for electric vehicles, solar panels, and batteries. This growth trajectory however faces potential challenges as the US and European Union consider measures to curb the influx of these Chinese imports, citing market saturation and its negative impact on domestic industries. Imposing trade tariffs on these products could significantly reduce demand and, consequently, slow China's economic growth. Additionally, the Chinese property market remains a drag on the economy, with property investment falling by 9.5% yoy and new home prices accelerating their decline—dropping 2% in March after a 1.3% decrease in February.

Looking ahead, the fund will continue to redeploy its US Treasury exposure into opportunities which are deemed to offer superior risk adjusted returns.



Portfolio Manager
Brandon Quinn
BCom, CFA

Assistant Manager
Anina Swiegers
BCom (Hons), CFA