

SYNOPSIS**PERFORMANCE (TOTAL RETURN)**

	Portfolio	Benchmark
Annualised (since 02/01/2014)	8.3%	8.9%
Last 12 months	11.7%	7.4%
Last 3 months	4.3%	1.9%

PORTFOLIO VALUE

R 1 476.5 million (30/06/2025: R 1 382.6 million)

TRANSACTIONS

Net purchases of JSE equities and foreign assets

Net sales of JSE property and SA bonds

Net contributions

INVESTMENT OUTLOOK AND PORTFOLIO CONSTRUCTION*World:* US growth robust but labour market softening

Tariffs may add renewed inflation pressure

Fed likely to be cautious about aggressive rate cuts

Earnings growth decelerating

Geopolitical and trade tensions remain elevated

South Africa: Growth constrained without structural reform

Energy supply stable but infrastructure fragile

Inflation moderating though risks remain

Pace of interest rate cuts slowing

Portfolio construction: Significant increase in domestic equities

Increasing staple food producers and retailers

Low exposure to expensive US equities

Remain cautious on resources sector

Favour inflation-linked bonds over nominal

Physical gold position hedges global risks

EFFECTIVE ASSET ALLOCATION (previous)

	Portfolio	
	%	%
JSE equities	35	(30)
Foreign assets	39	(38)
JSE property	3	(4)
Commodities	2	(2)
SA bonds	16	(20)
Money market	5	(6)
	<u>100</u>	

1. PORTFOLIO PERFORMANCE

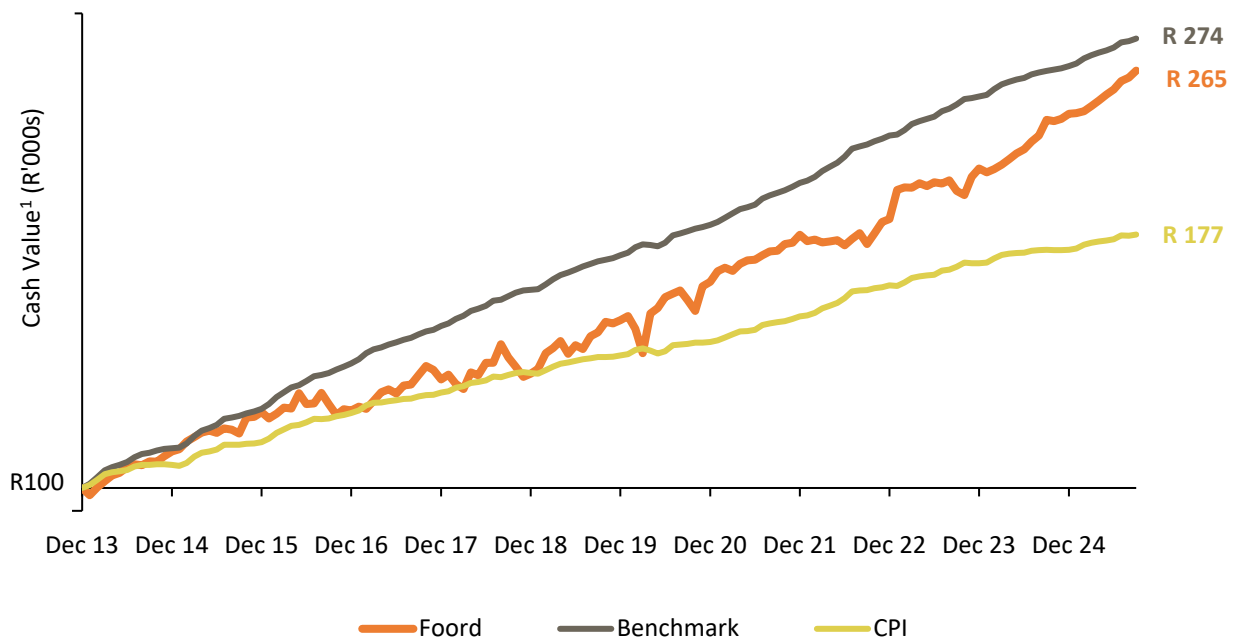
1.1 Total performance to 30 September 2025

	Portfolio	Benchmark*	Variance	Peer Group [#]
	%	%	%	%
From inception (02/01/2014)	8.3	8.9	- 0.6	7.8
10 years	8.5	8.8	- 0.3	8.0
7 years	9.6	8.6	1.0	9.2
5 years	10.8	9.0	1.8	11.7
3 years	13.8	8.2	5.6	14.5
1 year	11.7	7.4	4.3	14.4
9 months	10.2	6.3	3.9	12.6
3 months	4.3	1.9	2.4	5.7

* CPI + 4% per annum

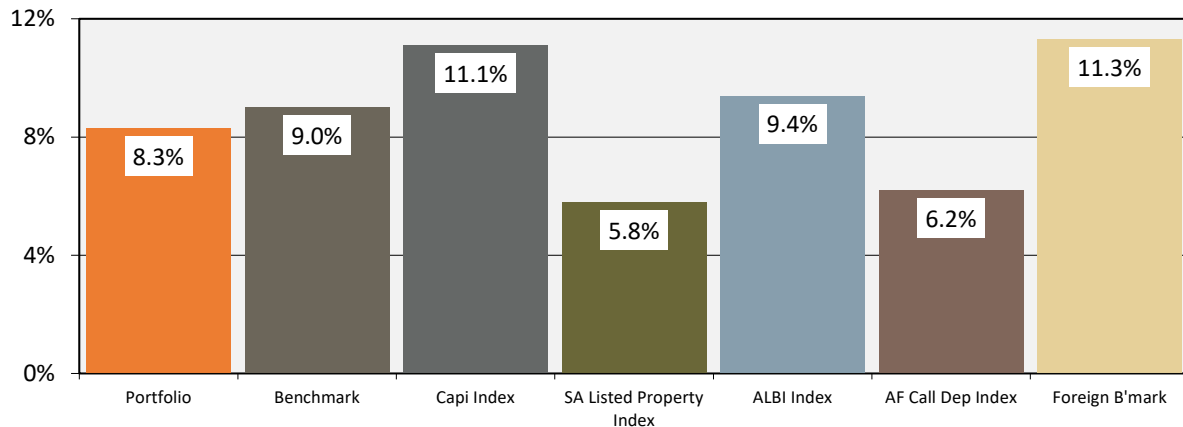
[#] (ASISA) South Africa – Multi Asset – Medium Equity average

Daily linked total rates of return (capital and income) based on unit price. Returns in percent net of service fees and fund expenses. Returns for periods exceeding 12 months are annualised percentages.



¹ Current value of R100 000 notional lump sum invested at inception, distributions reinvested (graphically represented in R'000s above)

Performance - Since inception (p.a.)



1.2 Selection to 30 September 2025

	JSE equities		JSE property		Interest bearing			Foreign assets	
	Portfolio	Capi Index	Portfolio	SA Listed Property Index [#]	Portfolio	ALBI Index	AF Call Dep Index	Portfolio	Bench-mark*
	%	%	%	%	%	%	%	%	%
From inception (02/01/2014)	7.9	11.1	4.6	5.8	8.7	9.4	6.2	10.1	11.3
10 years	8.0	11.6	1.9	3.1	9.2	9.8	6.3	10.2	10.4
7 years	11.0	13.9	10.2	5.0	9.8	10.7	6.1	10.2	10.7
5 years	19.4	19.6	18.6	21.8	10.1	12.1	6.1	7.9	8.2
3 years	22.0	22.7	34.9	23.9	13.1	15.7	7.7	9.9	14.3
1 year	11.6	28.1	16.0	11.4	11.2	14.5	7.5	14.8	11.2
9 months	10.9	30.9	13.7	12.3	10.3	14.0	5.5	11.9	4.2
3 months	4.8	12.8	4.8	6.7	4.9	6.9	1.7	5.1	1.8

[#] The FTSE/JSE SA Listed Property Index

* 60% Morgan Stanley World Equity Index in rand and 40% FTSE World Govt Bond Index in rand

Asset class returns are calculated on a gross basis, using the modified dietz methodology (compounded monthly)

1.3 Sector contribution to 30 September 2025

(Returns x weight)

	<u>JSE equities</u>	<u>JSE property</u>	<u>Interest bearing*</u>	<u>Other assets</u>	<u>Foreign assets</u>	<u>Portfolio</u>
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
1 year	3.4	0.6	3.0	1.1	5.7	13.8
9 months	3.3	0.5	2.7	0.8	4.6	11.9
3 months	1.5	0.2	1.2	0.3	1.9	5.1

* Bonds and cash combined

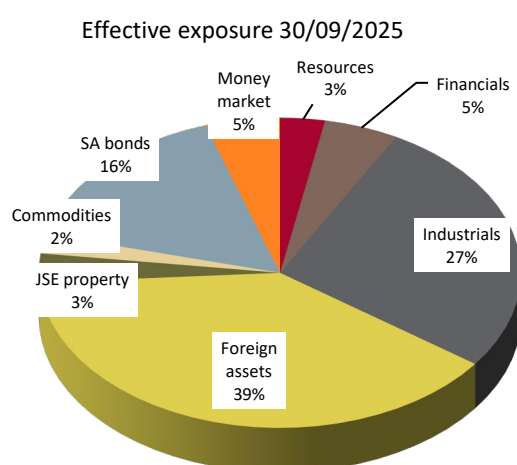
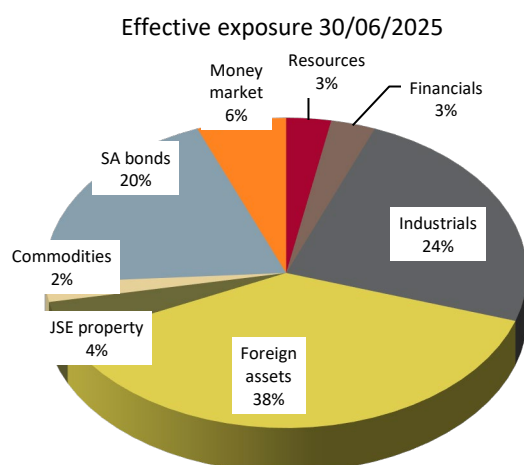
Returns in percent, calculated on a gross basis

Quarterly performance comment:

- Global equities contributed positively to rand returns despite rand strength — global markets climbed to new record highs as trade tensions eased and enthusiasm for AI persisted, with developed markets advancing in the mid-single digits, while emerging markets outperformed, led by a 20% surge in the MSCI China Index
- South African equities also added to returns, with the FTSE/JSE All Share Index surging by double digit gains to an all-time high as gold and platinum miners rallied on record bullion prices — industrials and financials also advanced, with Naspers and Prosus rebounding alongside Chinese tech stocks
- SA bonds contributed meaningfully to returns, with local bonds rallying as inflation moderated and foreign demand strengthened — the SA Reserve Bank came out strongly in favour of lowering the inflation target to a fixed 3% from its current 3 – 6% range
- The fund continued to benefit from its allocation to gold — the gold price surged to new highs near \$4 000/oz, fueled by ongoing US dollar weakness, heightened geopolitical tensions that bolstered safe-haven demand, and sustained central bank purchases
- The fund's holding in brewer Anheuser-Busch Inbev was a detractor from returns this quarter — world's largest brewer saw a share price decline after it reported a drop in volumes due to weaker demand in Brazil and China
- Domestic cash holdings continued to enhance absolute returns, with yields still outpacing inflation — the rand also strengthened against a softer US dollar despite ongoing political and fiscal uncertainty, supported by broad emerging market resilience, attractive carry yields, and improved terms of trade

2. PORTFOLIO STRUCTURE

Mandate (%)		Portfolio Effective exposure		FTSE/JSE Capped ALSI Weightings
		30/06/2025	30/09/2025	
		%	%	%
	JSE equities: resources	3	3	12
	JSE equities: financials (ex property)	3	5	9
	JSE equities: industrials	24	27	14
0 - 60	JSE equities*	30	35	35
0 - 45	Foreign assets	38	39	
	Foord International Fund	17	17	
	Foord Global Equity Fund	13	11	
	Currencies	5	9	
	Corporate debt	3	2	
0 - 25	JSE property	4	3	
0 - 10	Commodities	2	2	
0 - 100	SA bonds	20	16	
0 - 100	Money market	6	5	
		100	100	
	Total portfolio	R 1 382.6m	R 1 476.5m	
	*Size distribution of JSE equities	%	%	%
	Large capitalisation	55	57	89
	Mid capitalisation	19	19	7
	Small capitalisation	26	24	4
		100	100	100
	<u>Exposure analysis</u>	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
		%	%	%
	Equities	35	23	58
	Listed property	3	1	4
	Corporate bonds	0	1	1
	Government bonds	16	2	18
	Commodities	2	1	3
	Money market	5	11	16
		61	39	100



3. PORTFOLIO CONSTRUCTION

- Holdings in total equities rose to 58% of the fund — equities continue to offer the best potential for generating real long-term growth and achieving meaningful inflation-beating returns
- The weighting in foreign assets remains elevated at 39% of the portfolio — including the offshore earnings of JSE-listed companies, total foreign economic exposure is even higher on a look-through basis
- Foreign equities remain focused on companies with pricing power which are best placed to protect investor capital from higher inflation — direct investment in US equities remains low in relative terms, given high valuations
- Holdings in a longer-dated South African nominal government bonds were trimmed — the continued rally in longer-dated bonds has pushed yields below levels that adequately compensate for duration and SA sovereign risk
- The allocation to South African inflation-linked bonds was maintained — attractive real yields continue to offer value, while SA credit assets are avoided where risks are seen as mispriced
- Listed property remains a small allocation — despite seemingly attractive yields, fundamentals remain weak with oversupply, subdued rental growth, consumer headwinds, and rising municipal costs
- The allocation to foreign government bonds remains low, comprising of short-duration US Treasuries with a preference for inflation-linked bonds — while listed property also remains low, given sector risks and unattractive valuations
- A physical gold ETF position was maintained — gold continues to benefit from supportive fundamentals, a weaker US dollar, and its role as a portfolio diversifier during periods of market stress
- Our effective asset allocation is:

Policy parameters		Portfolio at	
		30/06/2025	30/09/2025
%		%	%
0 - 60	JSE equities	30	35
0 - 45	Foreign assets	38	39
	Foord International Fund*	17	17
	Foord Global Equity Fund	13	11
	Currencies	5	9
	Corporate Debt	3	2
0 - 25	JSE property	4	3
0 - 10	Commodities	2	2
0 - 100	SA bonds	20	16
0 - 100	Money market	6	5
		100	100

* Currently 72% in equities, property 5%, commodities 8%, government bonds 5%, corporate bonds 2% and money market 8%

N BALKIN/N HOSSACK/W MURRAY
OCTOBER 2025

4. EFFECTIVE EXPOSURE AND PORTFOLIO SENSITIVITY**4.1 Effective exposure**

Asset class	Market value R'000	Option exposure R'000	Effective exposure R'000	Effective exposure %
JSE equities	511,221		511,221	34.6%
Foreign assets	573,439		573,439	38.8%
JSE property	45,339		45,339	3.1%
Commodities	35,372		35,372	2.4%
Other assets	13,040		13,040	0.9%
SA bonds	232,680		232,680	15.8%
Money market	65,382		65,382	4.4%
Total	1,476,473		1,476,473	100.0%

4.2 Sensitivity reportJSE EQUITIES**Change in portfolio equities**

	-20.0%	-10.0%	-5.0%	0.0%	5.0%	10.0%	20.0%
Resultant equity change *	-102,244	-51,122	-25,561	0	25,561	51,122	102,244
Resultant portfolio value *	1,374,229	1,425,351	1,450,912	1,476,473	1,502,034	1,527,595	1,578,717
Resultant portfolio change (%)	-6.9%	-3.5%	-1.7%	0.0%	1.7%	3.5%	6.9%

FOREIGN ASSETS**Change in R/\$ exchange rate**

	-20.0%	-10.0%	-5.0%	0.0%	5.0%	10.0%	20.0%
R/\$ exchange rate	20.7245	18.9974	18.1339	17.2704	16.4069	15.5434	13.8163
Resultant for. assets change *	114,688	57,344	28,672	0	-28,672	-57,344	-114,688
Resultant portfolio value *	1,591,161	1,533,817	1,505,145	1,476,473	1,447,801	1,419,129	1,361,785
Resultant portfolio change (%)	7.8%	3.9%	1.9%	0.0%	-1.9%	-3.9%	-7.8%

JSE PROPERTY**Change in portfolio property**

	-20.0%	-10.0%	-5.0%	0.0%	5.0%	10.0%	20.0%
Resultant property change *	-9,068	-4,534	-2,267	0	2,267	4,534	9,068
Resultant portfolio value *	1,467,405	1,471,939	1,474,206	1,476,473	1,478,740	1,481,007	1,485,541
Resultant portfolio change (%)	-0.6%	-0.3%	-0.2%	0.0%	0.2%	0.3%	0.6%

SA BONDS**Change in yields**

	-3.0%	-2.0%	-1.0%	0.0%	1.0%	2.0%	3.0%
Resultant fixed income change *	14,041	8,875	4,214	0	-3,816	-7,279	-10,426
Resultant portfolio value *	1,490,514	1,485,348	1,480,687	1,476,473	1,472,657	1,469,194	1,466,047
Resultant portfolio change (%)	1.0%	0.6%	0.3%	0.0%	-0.3%	-0.5%	-0.7%

*[R'000]

5. RESPONSIBLE INVESTMENT SUMMARY

Voting resolutions for Q3 2025**Portfolio**

	Total count	For	Against	Abstain
Adopt Financials	4	100%	0%	0%
Auditor/Risk/Social/Ethics related	41	98%	2%	0%
Buy Back Shares	4	100%	0%	0%
Director Remuneration	18	100%	0%	0%
Dividend Related	1	100%	0%	0%
Issue Shares	4	0%	100%	0%
Loan / Financial Assistance	4	50%	50%	0%
Other	7	71%	29%	0%
Re/Elect Director	30	100%	0%	0%
Remuneration Policy	11	27%	73%	0%
Shares under Director Control	1	0%	100%	0%
Signature of Documents	1	100%	0%	0%

Foord Global Equity Fund

	Total count	For	Against	Abstain
Adopt financials	6	100%	0%	0%
Auditor/risk/social/ethics related	16	100%	0%	0%
Buy back shares	3	100%	0%	0%
Dividend related	4	100%	0%	0%
Issue shares	10	10%	90%	0%
Re/elect director or members of supervisory board	45	100%	0%	0%
Remuneration policy including directors' remuneration	13	15%	85%	0%
Others	15	87%	13%	0%

Foord International Fund

	Total count	For	Against	Abstain
Adopt financials	6	100%	0%	0%
Auditor/risk/social/ethics related	13	100%	0%	0%
Buy back shares	3	100%	0%	0%
Dividend related	3	100%	0%	0%
Issue shares	10	10%	90%	0%
Re/elect director or members of supervisory board	36	100%	0%	0%
Remuneration policy including directors' remuneration	9	11%	89%	0%
Others	14	86%	14%	0%

General comments:

- There are few abstentions. We apply our minds to every single resolution put to shareholders. When there is an abstention it would typically be intentional or for strategic reasons
- We typically vote against any resolution that could dilute the interests of existing shareholders. Examples include placing shares under the blanket control of directors, providing loans and financial assistance to associate companies or subsidiaries and blanket authority to issue shares. On the rare occasion, we have voted in favour of such resolutions, we were able to gain the required conviction in the specifics of the strategic rationale for such activities and could gain comfort that such activities are indeed to be used to the reasons stated

General comments (continued):

- The firm also has a strong philosophy regarding management remuneration models. We believe in rewarding good managers with appropriate cash remuneration on achievement of relevant performance metrics that enhance long-term shareholder value. We are generally not in favour of share option schemes given the inherent asymmetry between risk and reward typical of such schemes. In addition, we do not believe that existing shareholders should be diluted by the issuing of new shares to management as is the case with most option schemes. We are in favour of the alignment created between management and shareholders when management has acquired its stake in the company through open market share trading and paid for out of management's own cash earnings

IMPORTANT INFORMATION FOR INVESTORS:

Collective Investment Schemes in Securities (unit trusts) are generally medium- to long-term investments. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to the future. Performance is calculated for the portfolio. Individual investor performance may differ as a result of the actual investment date, the date of reinvestment and withholding taxes. Performance may be affected by changes in the market or economic conditions and legal, regulatory and tax requirements. Neither Foord nor Foord Unit Trusts provide any guarantee either with respect to the capital or the performance return of the portfolio. Unit trusts are traded at ruling prices and can engage in borrowing. Foord Unit Trusts does not engage in scrip lending. Commission and incentives may be paid and if so, this cost is not borne by the investor. A schedule of fees and charges and maximum commissions is available on request. Distributions may be subject to mandatory withholding taxes. A feeder fund portfolio is a portfolio that, apart from assets in liquid form, consists solely of units in a single portfolio of a single investment scheme. A fund of funds invests only in other Collective Investment Schemes, which may levy their own charges, which could result in a higher fee structure for these portfolios. Foord Unit Trusts is authorised to close the portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate.

FOREIGN INVESTMENT RISK:

The portfolio may include underlying foreign investments. Fluctuations or movements in exchange rates may cause the value of underlying foreign investments to go up or down. The underlying foreign investments may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restrictions and controls that may be imposed by the relevant authorities in the relevant countries.

This document is not an advertisement, but is provided exclusively for information purposes and should not be regarded as an offer or solicitation to purchase, sell or otherwise deal with any particular investment. Economic forecasts and predictions are based on Foord's interpretation of current factual information and exploration of economic activity based on expectation for future growth under normal economic conditions, not dissimilar to previous cycles. Forecasts and commentaries are provided for information purposes only and are not guaranteed to occur. While we have taken and will continue to take care that the information contained herein is true and correct, we request that you report any errors to Foord at info@foord.co.za. The document is protected by copyright and may not be altered without prior written consent.

Foord is a member of the Association for Savings and Investment SA.

Foord Asset Management is an authorised Financial Services Provider (FSP: 578).

**PLEASE REFER TO THE MINIMUM DISCLOSURE DOCUMENT (FACT SHEET) CARRIED ON WWW.FOORD.CO.ZA
FOR MORE DETAILED INFORMATION**

E: info@foord.co.za T: +27 (0)21 532 6988 F: +27 (0)21 532 6999
