

SYNOPSIS**PERFORMANCE (TOTAL RETURN)**

	Portfolio	Benchmark
Annualised (since 02/09/2002)	13.8%	14.2%
Last 12 months	6.7%	5.6%
Last 3 months	- 3.6%	- 0.3%

PORTFOLIO VALUE

R 4 006.5 million (30/06/2026: R 4 210.4 million)

INVESTMENT OUTLOOK AND PORTFOLIO CONSTRUCTION*World:* Global growth resilience but risks remain high

Inflation risks re-emerging, led by energy costs

Central banks have begun tightening rates

Higher input and financing costs may pressure earnings

Geopolitical and fiscal risks remain elevated

South Africa: Growth remains vulnerable to external shocks

Energy supply improved but infrastructure constraints remain

Inflation risks rising via higher fuel prices

Monetary policy has tightened, with easing unlikely in short term

Rand resilient, but sensitive to global risk sentiment

Portfolio construction Selective exposure to resources sector

Underweight financials, adding quality banks

Preference for staple food producers and retailers

Healthcare remains a key defensive allocation

Naspers/Prosus largest holding on attractive valuations

Selective holdings in listed property

Cash deployed into quality businesses

EFFECTIVE ASSET ALLOCATION (previous)

	Portfolio	
	%	%
JSE equities	89	(87)
JSE property	3	(2)
Commodities	1	(0)
Money market	7	(11)
	<u>100</u>	

1. PORTFOLIO PERFORMANCE

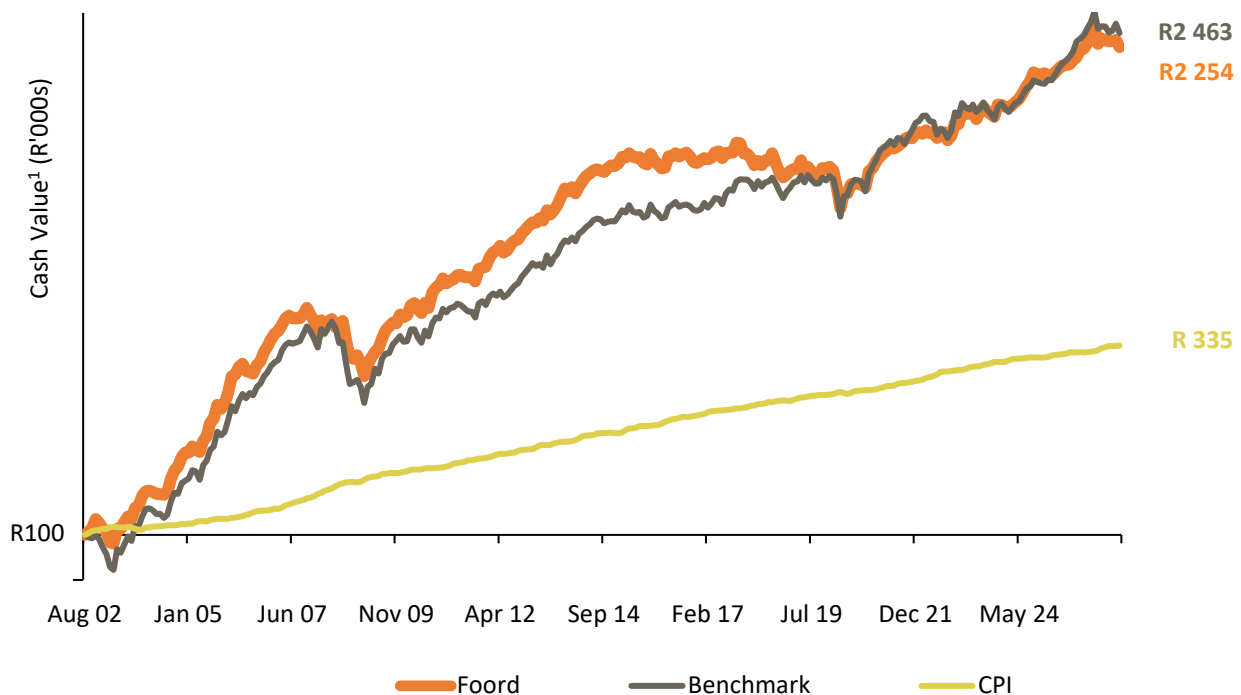
Total performance to 30 September 2026

	<u>Portfolio</u>	<u>Benchmark*</u>	<u>Variance</u>	<u>Peer Group#</u>
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
From inception (02/09/2002)	13.8	14.2	- 0.4	13.0
20 years	10.6	11.8	- 1.2	10.6
15 years	10.5	12.9	- 2.4	11.2
10 years	7.2	11.7	- 4.5	9.7
7 years	12.3	14.7	- 2.4	13.1
5 years	12.5	15.2	- 2.7	13.2
3 years	15.3	18.8	- 3.5	17.0
1 year	6.7	5.6	1.1	5.1
9 months	- 2.6	- 3.1	0.5	-2.8
3 months	- 3.6	- 0.3	- 3.3	-0.4

* Total return of the FTSE/JSE Capped All Share Index (prior to 01/07/2018 FTSE/JSE All Share Index)

(ASISA) South Africa Equity – SA General average

Daily linked time-weighted total rates of return (capital and income) based on unit price. Returns in percent net of management 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)

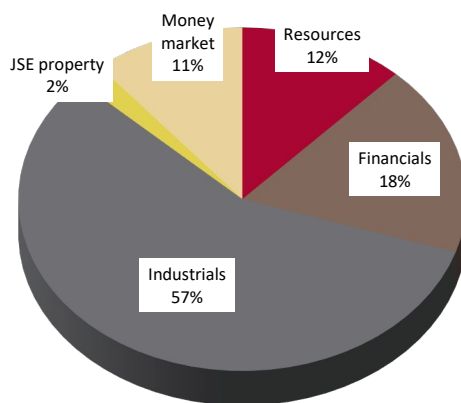
Quarterly performance comment:

- The Fund underperformed its benchmark over the quarter — an overweight position SA Inc shares weighed on returns as higher fuel prices and tighter monetary policy clouded the outlook for household spending
- A lower allocation to precious-metal miners than the index detracted relative to the benchmark — gold share rallied after gold rose almost 4% over the quarter, recovering in August before giving back part of those gains in September
- Tiger Brands, WBHO, Premier Group, Pepkor and Woolworths were among the largest detractors — these remain well-managed, cash-generative businesses trading on undemanding valuations
- Pan African Resources was a strong contributor, rising more than 20% over the quarter — the gold price advanced almost 4%, and profits were taken in AngloGold Ashanti following a strong rally
- Naspers/Prosus detracted from absolute returns, with both shares declining in September as Chinese equities gave back part of their July gains — Tencent trades on a compelling valuation and the investment case remains intact
- Santam was a solid contributor, gaining 7% over the quarter — the fund's preference for quality non-life insurers over life insurers provided resilience in a difficult market for domestic shares

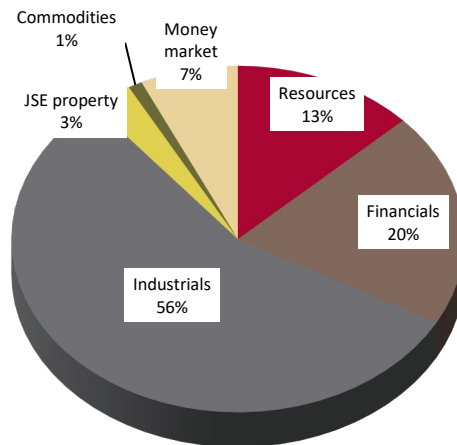
2. PORTFOLIO STRUCTURE

	Portfolio		FTSE/JSE
	Effective exposure		Capped ALSI
	30/06/2026	30/09/2026	Weightings
	%	%	%
JSE equities: resources	12	13	30
JSE equities: financials (ex property)	18	20	26
JSE equities: industrials	57	56	31
JSE property	2	3	5
JSE equities*	89	92	92
Commodities	0	1	
Money market	11	7	
	100	100	
Total portfolio	R 4 210.4m	R 4 006.5m	
*Size distribution of JSE equities	%	%	%
Large capitalisation	54	56	89
Mid capitalisation	23	24	6
Small capitalisation	23	20	5
	100	100	100

Effective exposure 30/06/2026



Effective exposure 30/09/2026



3. PORTFOLIO CONSTRUCTION

- SA equity was increased to 92%, with cash deployed into quality businesses at more attractive valuations — SA Inc. exposure remains focused on high-quality banks and staple producers
- Took advantage of share price weakness to increase holdings in Standard Bank and FirstRand — we continue to prefer quality banks and non-life insurers over life insurers
- Increased holdings in Tiger Brands and Anheuser-Busch InBev at lower prices, while trimming Premier Group, Woolworths and Spur — consumer holdings remain tilted towards defensive names that are well-positioned to weather a challenging economic environment
- Took profits in AngloGold Ashanti following a strong rally, while adding small positions in Gold Fields and a physical gold ETF — gold remains supported by strong fundamentals and its role as a diversifier in periods of stress
- Listed property exposure remains selective — fundamentals for the asset class remain weak, with elevated debt burdens, excess capacity and ongoing uncertainty around office and retail space demand
- Our effective asset allocation is:

	<u>Capped ALSI</u>	<u>Portfolio at</u>	
	<u>Current</u>	<u>30/06/2026</u>	<u>30/09/2026</u>
	<u>%</u>	<u>%</u>	<u>%</u>
Precious metals	24	7	7
Commodity cyclicals	9	5	6
Capital goods/construction	0	6	6
Industrials/transport	5	5	5
Overseas companies	5	2	3
Health	1	7	7
Consumer/services	8	25	23
Telecommunications	6	0	0
Media	9	12	12
Financials	28	18	20
Property	5	2	3
Commodities	0	0	1
Money market	0	11	7
	100	100	100

N BALKIN/N HOSSACK/W MURRAY
SEPTEMBER 2026

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	3,557,318		3,557,318	88.8%
JSE property	115,853		115,853	2.9%
Commodities	44,454		44,454	1.1%
Money market	288,854		288,854	7.2%
Total	4,006,479		4,006,479	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 *	-711,464	-355,732	-177,866	0	177,866	355,732	711,464
Resultant portfolio value *	3,295,015	3,650,747	3,828,613	4,006,479	4,184,345	4,362,211	4,717,943
Resultant portfolio change (%)	-17.8%	-8.9%	-4.4%	0.0%	4.4%	8.9%	17.8%

JSE PROPERTY**Change in portfolio property**

	-20.0%	-10.0%	-5.0%	0.0%	5.0%	10.0%	20.0%
Resultant property change *	-23,171	-11,585	-5,793	0	5,793	11,585	23,171
Resultant portfolio value *	3,983,308	3,994,894	4,000,686	4,006,479	4,012,272	4,018,064	4,029,650
Resultant portfolio change (%)	-0.6%	-0.3%	-0.1%	0.0%	0.1%	0.3%	0.6%

*[R'000]

5. RESPONSIBLE INVESTMENT SUMMARY**Voting resolutions for Q3 2026**

	Total count	For	Against	Abstain
Adopt Financials	4	100%	0%	0%
Auditor/Risk/Social/Ethics related	87	99%	1%	0%
Buy Back Shares	14	100%	0%	0%
Director Remuneration	42	98%	2%	0%
Dividend Related	2	100%	0%	0%
Issue Shares	10	10%	90%	0%
Loan / Financial Assistance	10	40%	60%	0%
Other	15	80%	20%	0%
Re/Elect Director	38	100%	0%	0%
Remuneration Policy	21	48%	52%	0%
Signature of Documents	3	100%	0%	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
- 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

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