BALONDOLOZI EQUITY FUND **February 28, 2026**

FACT SHEET

INVESTMENT OBJECTIVE

The fund seeks to outperform the FTSE/JSE Capped All Share Index by 1% per annum over a rolling 3 year period.

INVESTMENT STRATEGY

The fund aims to generate in excess of 1% above the benchmark returns on a consistent long-term basis through both top down and bottom up analysis. The Fund uses a four factor model, namely; Macro-Economic Model, a Fundamental Accounting Value Model, a Behavioural Model, and a Technical Analysis Model. The models are blended to ensure consistency of performance and lower fund volatility versus the benchmark.

FUND INFORMATION

Fund Classification	South African - Equity - General
Benchmark	FTSE/JSE Capped All Share Index
Risk Profile	Aggressive
Fund Managers	Fannuel Tigere, Sandelee Van Wyk
Inception Date	01 November 2018
Fund Size	R1319 million
Currency	SA Rands
Administration	Balondolozi Investement Services (Pty) Ltd
Trustees	Nedbank
Regulator	Financial Sector Conduct Authority (FSCA)
Regulation 28	Compliant

FEES

Initial & Exit Fees	Nil
Total Investment Charge	0.50%
Portfolio TER	0.50%
Management Fees	*0.50%*
Transaction Costs	*0.00%*
Audit Fees	*0.00%*
Other Costs	*0.00%*
Vat	*15.00%*
Pricing	Daily at 17:00

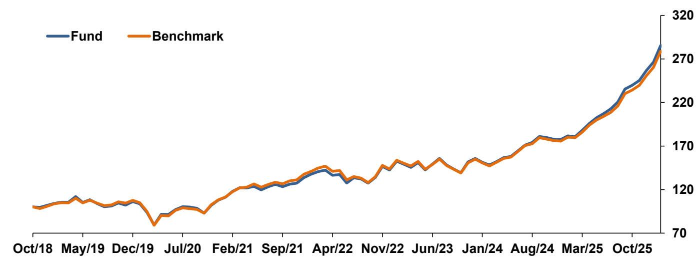
RISK RATIOS

	Fund	*Benchmark*
Annualised Return	15.38%	15.01%
Sharpe Ratio	0.56	0.55
Sortino Ratio	0.80	0.75
Max Drawdown	-15.57%	-16.69%
Drawdowns	33	32

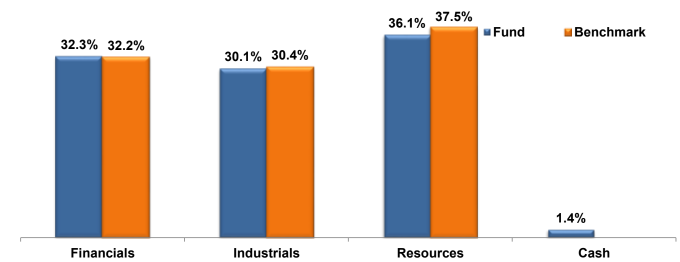
PERFORMANCE (Gross of fees)

	Fund	*Benchmark*
Feb-26	7.18%	7.16%
Year to Date	11.22%	11.29%
Rolling 12 months	58.05%	55.34%
Return p.a. since inception	15.38%	15.01%
Return since inception	185.47%	178.93%
Highest Rolling 1-year Return	58.05%	55.34%
Lowest Rolling 1-year Return	-24.83%	-24.53%

GROWTH OF R100 INVESTED AT INCEPTION



SECTOR ANALYSIS



FUND COMMENTARY

Global inflation pressures eased in early 2026, with the U.S. maintaining a steady labour market and the Euro Area holding interest rates. China recorded expanding private-sector activity, while South Africa advanced key fiscal and policy priorities.

Equities returned 7.16% (FTSE/JSE Capped All Share); nominal bonds delivered 1.74% (ALBI); inflation linked bonds returned 3.5% (CILI) and cash returned 0.5% as indicated by the STeFi Call Index in February 2026. Within equities, the financial services sector delivered 7.42% (FINI 15), the industrial sector -0.07% (INDI 25) and the resources sector 13.42% (RESI 20).

During the same period, near term volatilities ticked up by +1.63% (SAVI) to 17.78% whilst the historic price to earnings (P/E) ratio for the FTSE/JSE Capped Top 40 drifted higher by +2.82 points to close at 36.85. Yields for 12-month negotiable certificates of deposits rose by +8.3 bps to close the month at 6.78%.

The fund returned 7.18% against the benchmark 7.16% (FTSE/JSE Capped All Share) resulting in a positive alpha of 0.02% for the month.

Local equity markets delivered constructive performance for the month of February 2026, supported by firm commodity prices, even as global markets faced heightened geopolitical tensions and increased volatility. Commodity prices provided key support, with Brent crude trading above $70 per barrel and gold extending its rally for a seventh consecutive month as investors sought safe-haven assets. Elevated precious metal prices also supported mining and commodity-linked stocks, helping lift gains across the broader equity market. The JSE Capped All Share Index advanced 7.16% in February, with resources leading the gains, followed by financials, while the industrial sector closed the month in negative territory. Active underweight exposures in mining counters delivered mixed results, with coal producer Thungela Resources fairing better than the benchmark performance for the month. African Rainbow Minerals underperformed relative to the equity benchmark, while Anglo American also marginally underperformed relative to the equity benchmark performance for the month of February.

In February, Balondolozi participated in ten Annual General Meetings across the industrial and financial sectors, including Tiger Brands Group (TBS) and Life Healthcare (LHC). During these meetings, we voted on a total of 224 resolutions - supporting 94% of them. Our most significant opposition related to The Spar Group (SPP) and the re-election of its independent external auditors, who have served the company for six years. This tenure raises concerns regarding audit independence, recommending that companies implement a mandatory audit firm tender process at least every five years to safeguard the integrity and effectiveness of the audit function. Given the various challenges currently facing SPP, ensuring appropriate oversight is of utmost importance. We also participated in a Special General Meeting of FirstRand Limited (FSR), where the group sought shareholder approval to replace its existing Memorandum of Incorporation in its entirety. The proposed amendments were aimed at enhancing clarity, consistency and compliance across the group's governing documents. This resolution received our full support.

After registering a value of 3.6% in December 2025, headline inflation for January 2025 was 3.6% (consensus 3.5%). On the same note, the price for brent crude oil rose by 2.53%, to end the month at $72.48 per barrel and the Rand appreciated against the Dollar by 1.3% to close at R15.94 per dollar. The seasonally adjusted Kagiso Purchasing Managers' Index (PMI) nudged up by 9.5 index points to reach 50 in January 2025.

In January 2026, U.S. inflation moderated, with annual CPI slowing to 2.4%, supported by base effects and lower energy costs - particularly gasoline and fuel oil, while natural gas rose more gradually. Food and shelter inflation also eased. Core inflation edged down to 2.5% year-on-year but rose 0.3% monthly. The unemployment rate fell slightly to 4.3%, as the labour force expanded. Private-sector activity strengthened. The S&P Global US Composite PMI rose to 53.0, reflecting solid expansion in both manufacturing and services, while the Services PMI climbed to 52.7, marking nearly three years of consecutive growth. Strong domestic demand offset weak foreign sales, supporting modest job gains.

Input costs increased due to tariffs, though selling prices rose less. On trade, President Donald Trump extended the African Growth and Opportunity Act for one year, restoring duty-free access for eligible Sub-Saharan African countries. The administration paused several China-focused tech-security measures ahead of an April summit and finalized a U.S.-Taiwan trade deal reducing tariffs and expanding market access, including $84 billion in purchases through 2029. The U.S. Chair of the Council of Economic Advisers warned that monetary policy may be tighter than necessary, potentially slowing growth, and reiterated that further rate cuts could be warranted given contained inflation.

At its first policy meeting of 2026, the European Central Bank kept interest rates unchanged, with the main refinancing rate at 2.15%, the deposit facility at 2.0% and the marginal lending rate at 2.4%. President Christine Lagarde emphasised heightened uncertainty from global trade and geopolitical tensions, stressing that policy should not rely on single data points. In January 2026, Euro Area annual inflation fell to 1.7%, the lowest since September 2024, aided by a euro above $1.20. France, Spain and Italy recorded slower inflation, while Germany saw a slight increase. Prices eased for services, processed food, alcohol and tobacco, while energy dropped 4%. Q4 2025 GDP rose 1.3% year-on-year, the slowest pace in a year. Ireland led growth at 6.7%, followed by Spain, Lithuania and Portugal, while Germany, Italy and Finland lagged. Employment rose 0.2% quarter-on-quarter, marking the 19th consecutive quarter of growth, led by Spain (+0.8%), offsetting Germany's decline. Negotiated wages rose 2.95% year-on-year. Private sector trends were mixed: the HCOB Construction PMI fell to 45.3 in January, but the HCOB Composite PMI rebounded to 51.9 in February, driven by stronger manufacturing, new orders, modest services expansion, stable employment and elevated business sentiment.

In January 2026, China's inflation showed mixed signals. Consumer price inflation eased sharply to 0.2% year-on-year, its lowest since October, as food, non-food, housing, and transport costs moderated. Producer prices contracted for the 40th consecutive month, though the annual decline slowed to 1.4%, with monthly prices rising 0.4%, signaling modest upward pressure on production costs. China's private sector expanded further. The RatingDog General Composite PMI rose to 51.6, marking eight consecutive months of growth, with manufacturing and services output and new business accelerating. Firms resumed hiring - easing backlogs. The Services PMI climbed to 52.3, its highest since October, with stable output prices. Input cost inflation persisted but slowed and business sentiment remained positive, though below 2025 averages amid global growth concerns. In February 2026, the People's Bank of China held benchmark lending rates steady at 3.0% (one-year) and 3.5% (five-year), balancing growth support with financial stability. China met its 5% growth target in 2025, driven by exports; however, structural imbalances, trade frictions and geopolitical risks persist. The International Monetary Fund maintained its 2026 growth forecast for the country at 4.5%, citing weak domestic demand and slowing global growth as downside risks.

Domestically, Producer price inflation slowed to 2.2% in January 2026, while annual CPI eased to 3.5% and core inflation rose to 3.4%. Unemployment fell to 31.4% in Q4 2025, marking the second consecutive quarterly decline. Finance Minister Enoch Godongwana tabled the 2026 Budget, aiming to stabilise and gradually reduce the debt-to-GDP ratio through a growing primary surplus, saving R21 billion in debt service over three years. Revenue collections for 2025/26 are projected R28.8 billion higher, enabling a 0.9% GDP surplus and reducing the budget deficit from 4.5% to 3.1% of GDP by 2028/29. Consolidated expenditure will grow 3.9% annually, with capital spending rising fastest at 9.7%. Social spending remains redistributive, and tax brackets and credits are fully inflation-adjusted. President Cyril Ramaphosa delivered the State of the Nation Address, outlining reforms to build a safer, more inclusive and economically dynamic South Africa. He highlighted gains in inflation, employment, fiscal metrics, infrastructure and the end of loadshedding, while noting ongoing challenges including crime, corruption, failing municipalities, water shortages and inequality. The government pledged to intensify efforts against organized crime and gender-based violence, reform state institutions and advance infrastructure, calling for national dialogue and collective action to ensure inclusive growth.

The global economy remains fragile with uneven growth, policy uncertainty, and rising risks continuing to challenge the path to sustained recovery.