

Sygnia FANG.AI Equity Fund

Minimum Disclosure Document (MDD)
Class A
Global - Equity - General

30 June 2026

Portfolio Manager	Wessel Brand, Kyle Hulett	Investment Objective	The fund offers investors exposure to companies harnessing advanced technologies like AI, large language models, cloud storage, big data, social media, and e-commerce.
Regulation 28	Non-Compliant	Income Distribution	Bi-annually (September and March) Payment: None to date
Fund Launch Date	23 August 2018	Trustees	Standard Bank Trustees (021 441 4100)
Class Launch Date	31 August 2018		
Fund Size	R 1 685 Million		
Unit Price	465.18		
Units in Issue	319 584 583		

LOW

LOW MEDIUM

MEDIUM

MEDIUM HIGH

HIGH

LESS RISK/
RETURN

MORE RISK/
RETURN

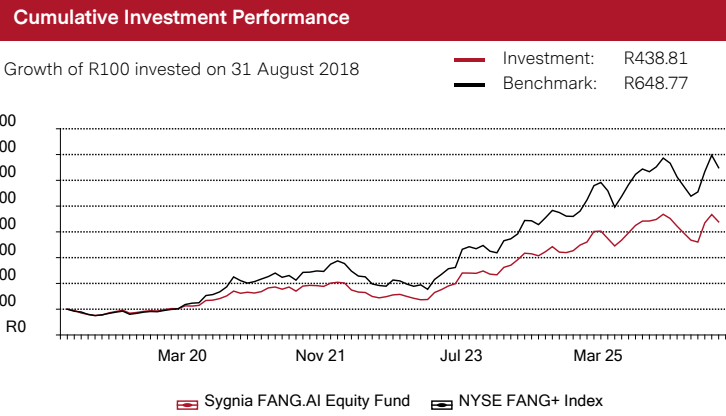
0 - 2 YEARS

2 YEARS+

3 YEARS+

5 YEARS+

7 YEARS+



Performance Analysis

Periodic Performance	Fund	*BM	Difference
1 Month	-6.1%	-7.0%	0.9%
3 Months	21.7%	16.9%	4.8%
6 Months	4.0%	5.8%	-1.8%
Year to Date	4.0%	5.8%	-1.8%
1 Year	3.2%	4.1%	-0.9%
**3 Years	22.3%	23.7%	-1.5%
**5 Years	18.3%	21.7%	-3.5%
**Since Inception	20.8%	27.0%	-6.2%

Performance as calculated by Sygnia Asset Management as at reporting date
*NYSE FANG+ Index (Rand)
**Annualised performance figures

Historical Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2023	19.8%	6.9%	8.0%	4.6%	20.9%	-0.1%	-0.4%	3.8%	-5.0%	-1.1%	12.4%	3.1%	96.7%
2024	7.9%	8.6%	-0.7%	-2.4%	5.1%	6.1%	-6.2%	-0.6%	2.3%	6.7%	3.4%	11.3%	48.4%
2025	0.3%	-7.2%	-7.7%	6.6%	7.8%	7.2%	3.9%	0.1%	1.4%	4.4%	-3.5%	-6.6%	5.1%
2026	-6.5%	-6.8%	-2.0%	20.6%	7.5%	-6.1%							4.0%

Risk Statistics

	Fund	BM
% Negative Months	45.0%	46.7%
Avg Negative Return	-4.2%	-4.6%
Maximum Drawdown	-33.1%	-38.4%
Standard Deviation	24.1%	27.3%
Downside Deviation	11.2%	11.9%
Highest Annual Return: Jan 2023 - Dec 2023	96.7%	110.6%
Lowest Annual Return: Dec 2021 - Nov 2022	-33.1%	-32.3%

The risk statistics reflected above are calculated on a 60 month or since inception basis, depending on which period is shorter.

Asset Allocation

Asset Class	Percentage	Allocation
International Equities	100.0%	

Top 10 Holdings

Asset	Percentage
Micron Technology Ord Shs	10.5%
Amazon Com Ord Shs	9.6%
Meta Platforms Ord Shs Class A	9.4%
Microsoft Ord Shs	9.3%
Alphabet Ord Shs Class A	9.3%
Netflix Ord Shs	9.1%
Apple Ord Shs	9.1%
NVIDIA Ord Shs	9.1%
Broadcom Ord Shs	9.0%
Palantir Technologies Ord Shs Class A	8.5%

Fees

Initial Fee	0.00% **
Management Fee	0.70% **
Performance Fee*	0.06% **
Other costs	0.02% **
VAT	0.12%
Total Expense Ratio (TER)	0.91% (Jun 2026)
Transaction Costs (TC)	0.01% (Jun 2026)
Total Investment Charge (TIC)	0.92% (Jun 2026)

** Fees are exclusive of VAT
*Please note, the performance fee is 20% of outperformance of the NYSE FANG+ Index (Rand) with a cap of 2.30%

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Fund commentary

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2nd Quarter 2026

Market performance

The World Bank has trimmed its 2026 global growth forecast to 2.5%, down from 2.6% in January, citing the economic drag from the Middle East conflict. Emerging market and developing economies are now anticipated to grow at 3.6%, a 0.4% downgrade. The US is the notable exception, holding steady at 2.2% – unchanged from January and marginally ahead of its 2.1% outturn in 2025.

The announcement of a memorandum of understanding between Iran and the US caused the oil price to fall dramatically but has not altered our baseline forecasts. The oil price has retracted considerably but will remain elevated throughout 2026 relative to 2025 as geopolitical risks persist:

- A nuclear deal with Iran will be difficult to achieve without Trump agreeing to weaker terms than those secured under Obama's 2015 Joint Comprehensive Plan of Action (which Trump scrapped).
- Reports of strikes in Lebanon continue, and it remains far from certain whether Israel and Hezbollah can sustain their temporary ceasefire.
- Red Sea traffic remains well below pre-conflict levels and is likely to remain so, as insurance costs remain high; Damaged facilities are still offline, and the UAE, for example, has declared its intention to reduce its Hormuz exposure to zero.

Gold has fallen more than 25% from its peak and bitcoin more than 50% as strong US jobs data and the Fed's reaffirmation of its inflation target pile pressure on assets that had rallied on fears of currency debasement. May US payroll growth came in well above the highest forecast, with substantial upward revisions to prior months. To put the number in context, St Louis Fed economists estimate that monthly job creation of 30 000–85 000 is sufficient to avoid pushing unemployment higher. At 172 000, May's print was double the top of that range. For the Fed, the figures settle the question of labour market softening, allowing it to turn its full attention to the inflation side of its dual mandate. Half of the Fed's 18 members now anticipate at least one rate increase this year, and a third project two or more – a clear shift from the prior easing bias, notwithstanding the Middle East deal and lower oil prices. Markets were debating whether the Fed was quietly acquiescing to an implicit 3% inflation target after five years above the 2% threshold, but incoming chair Kevin Warsh vowed to restore price stability and confirmed the 2% inflation target remains key to the Fed's mandate. Markets reacted sharply to the strong payrolls and later to the hawkish Fed. Yields surged, the dollar strengthened and traders moved to fully price in an additional 25 basis points of tightening. The combination of a hawkish Fed, a stronger dollar and rising bond yields has weighed heavily on the debasement trade, which reflects a cluster of demand drivers: higher geopolitical uncertainty, long-term inflation uncertainty and concerns about debt debasement driven by large fiscal deficits across major economies. One measure of this trade is non-bank investors' allocation to gold and bitcoin relative to their holdings of equities, bonds and cash. After a steady build-up from mid-2023, that allocation has been pulling back since the start of the Iran conflict and has now retreated to levels last seen in March 2025. For emerging markets, a hawkish Fed will cap the emerging market rally. Lower oil prices will partially remove one headwind for emerging markets, but a more restrictive Fed introduces a new one through a stronger dollar and tighter global liquidity, reducing the profitability of the carry trade.

Fitch has upgraded South Africa's sovereign credit rating one notch, from BB- to BB, with a stable outlook. The move brings all three major ratings agencies into alignment at the second-highest non-investment grade rating. That said, the upgrade should not be read as a signal of near-term progress – first-quarter GDP rose 0.5%, beating expectations, but its composition was weak. Growth was driven entirely by net exports, and even that reflected a sharp fall in imports rather than export-led strength. Household spending dropped sharply and investment fell. With the oil shock now feeding through, demand is likely to weaken further from the second quarter, and we expect full-year growth of around 1%. We agree with Fitch that the short-term fiscal outlook is positive. Elevated platinum and gold prices will help insulate government revenues from the oil shock and underpin ongoing budget consolidation and debt stabilisation. We have concerns about the longer term, where risks remain on the spending side, including potential support for state-owned enterprises, large contingent liabilities linked to the Road Accident Fund and the possibility that the Social Relief of Distress grant will become more generous or more widely covered than currently budgeted. Growth is also likely to remain subdued. Interest rate futures are pricing in one hike – a far cry from the three cuts anticipated before the Iran War and the Fed's shift in tone. Softness in gold adds a further headwind for South African growth.

Despite the conflict, growth has proven more resilient than feared. Global fiscal policy remains accommodative, effective US tariff rates have fallen and wealth effects remain positive, with markets at highs and the ongoing AI investment boom providing further support. But central banks are navigating an increasingly difficult environment: core inflation remains elevated and El Niño is expected to add further upward pressure through higher food prices, while future tariffs may lead to import inflation. With the US labour market now demonstrating renewed resilience, the Fed is likely to begin hiking sooner than anticipated to manage core inflation – a meaningful headwind for global equity markets. Emerging economies will continue to face a drag from higher energy and food prices as well as a hawkish Fed.

RISK PROFILE



TIME HORIZON



Fund performance

The Sygnia FANG.AI Equity Fund delivered a return of 21.7% for the quarter in rand terms, ahead of the fund's benchmark. This performance was driven primarily by flows into the artificial intelligence (AI) hardware sector. The appreciation of the South African rand relative to the US dollar detracted from the performance of the fund.

The fund's allocation to Micro Technologies was the largest positive contributor to performance, with the company increasing 241% during the quarter, while Netflix and Palantir were the largest detractors from the fund's performance, down 26% and 20% respectively.

The major technology companies continue to make significant investments in cloud computing and related services, which represent a growing source of long-term revenue. These companies are at the forefront of innovation and consistently demonstrate strong financial performance. They are supported by large pools of capital and are increasingly leveraging AI and machine learning to develop powerful tools and services that enhance their customer offerings.

Alphabet, Google's parent company, raised \$85 billion from equity markets during the quarter to fund ongoing AI spend, led by a \$10 billion investment from Berkshire Hathaway to increase their stake in the company.

The fund has stayed true to its objective of providing investors with exposure to some of the most advanced US technology companies, focusing on areas like AI, cloud computing and online services.

Disclaimer

Sygnia Collective Investments RF (Pty) Ltd is incorporated and registered under the law of South Africa and is registered under the Collective Investment Schemes Control Act, 2002 (Act No 45 of 2002). The company does not provide any guarantee with respect to the capital or return of the portfolio. Nothing in this document will be considered to state or imply that the collective investment scheme or portfolio is suitable for a particular type of investor.

Important information to consider before investing

Investment Objective and Strategy

The objective of the Sygnia FANG.AI Equity Fund is to provide a simple vehicle to investors who wish to gain investment exposure to companies which use advanced technologies to acquire and retain users, including industry disrupting technologies such as artificial intelligence, large language models, cloud storage, big data, social media, and e-commerce tools. The portfolio is actively managed and its holdings will depend on a number of factors including the underlying benchmark which is the NYSE® FANG+™ Index (although the portfolio is not obliged to hold all the benchmark constituents).

Balancing Risk and Reward

The fund has a high risk profile as it has a high strategic allocation to global equities, which combines both equity market and currency risk. Furthermore, the fund invests specifically in companies involved in new and emerging technologies. The payoff profile and the time horizon to profitability of these technologies are not certain. Risk is managed by spreading investments across a large number of companies operating in different industries. Equity markets are volatile and the price of equities fluctuate based on a number of factors such as changes in the economic climate, general movements in interest rates and the political and social environment which will also affect the value of the securities held in the unit trust, thereby affecting the overall value of the unit trust. There are regulations in place which limit the amount that a unit trust may invest in securities, thereby spreading the risk across securities, asset classes and companies. The fund may also be exposed to liquidity risk. This relates to the ability of the unit trust to trade out of a security held in the portfolio at or near to its fair value. This may impact on liquidity and in the case of foreign securities, the repatriation of funds.

Collective Investment Schemes in Securities (unit trusts) are generally medium- to long-term investments. The value of units may go down as well as up and past performance is not necessarily an indicator of future performance. Unit trusts are traded at the ruling price and are allowed to engage in borrowing and scrip lending.

Annualised performance figures represent the geometric average return earned by the fund over the given time period. Unannualised performance represents the total return earned by the fund over the given time period, expressed as a percentage. Performance is calculated for the portfolio. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Reinvestment of income is calculated on the actual amount distributed per participatory interest, using the ex-dividend date NAV price of the applicable class of the portfolio, irrespective of the actual reinvestment date.

Fees*

Sygnia charges an annual management fee comprised of applicable basic fees paid to underlying managers and Sygnia's annual service fee. Performance-based fees are calculated in terms of the supplemental deed fee for certain of our asset managers when they outperform the fund's stated benchmark. This performance fee will be paid by the fund to the underlying investment manager only when the fund's performance exceeds that of the benchmark. The performance fee, if any, shall be calculated and accrued daily, and payable monthly. The performance fee is based on a sharing rate of 20% and capped at 2.30% per annum, where the portfolio has been in existence for more than 365 days.

A schedule of fees and charges is available on request from Sygnia. Permissible deductions may include management fees, brokerage, STT, auditors fees, bank charges and trustee fees. Sygnia does not provide advice and therefore does not charge advice fees.

What is the Total Expense Ratio (TER) and Transaction Costs (TC)?

The total expense ratio (TER) is the annualised percentage of the fund's average assets under management that has been used to pay the fund's actual expenses over the past three years. Transaction costs are a necessary cost in administering the fund and impact fund returns. They should not be considered in isolation, as returns may be impacted by many other factors over time, including market returns, the type of financial product, the investment decisions of the investment manager and the TER. Since fund returns are quoted after the deduction of these expenses, the TER and transaction costs should not be deducted again from published returns. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The TER and transaction costs cannot be determined accurately because of the short lifespan of the specific class of the financial product. Calculations are based on actual data where possible and best estimates where actual data is not available.

Foreign Securities

The fund may also invest in foreign securities, which may be exposed to macroeconomic, settlement, political, tax, reporting or illiquidity risk factors that may be different to similar investments in South African markets. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down.

Cumulative Investment Performance

Cumulative investment performance is for illustrative purposes only. The investment performance is calculated by taking all ongoing fees into account for the amount shown, with income reinvested on the reinvestment date.

How are unit prices calculated?

Unit prices are calculated on a net asset value basis, which is the total market value of all assets in the portfolio, including any income accruals and less any permissible deductions from the portfolio, divided by the number of units in issue. Forward pricing is used and fund valuations take place at approximately 15:00 each business day. Purchases and redemption requests must be received by the manager by 14:00 each business day to receive that day's price. The price shown is specific to this class. The fund size represents the portfolio size as a whole. Unit prices are updated by 10:00 every business day and are available on our website, www.sygnia.co.za.

Disclosures and risks

The fund may be closed to new investments at any time in order to be managed in accordance with its mandate. Sygnia Collective Investments RF (Pty) Ltd is incorporated and registered under the laws of South Africa and is registered under the Collective Investment Schemes Control Act, 2002 (Act No 45 of 2002). Sygnia Asset Management (Proprietary) Limited (FSP Registration No. 873), an authorised financial services provider, is the appointed investment manager of the fund. Sygnia Collective Investments RF (Pty) Ltd does not provide any guarantee with respect to the capital or return of the portfolio. Nothing in this minimum disclosure document will be considered to state or imply that the collective investment scheme or portfolio is suitable for a particular type of investor.

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Additional information such as fund prices, brochures, application forms and a schedule of fees and charges can be requested via admin@sfs.sygnia.co.za or 0860 794 642 (0860 SYGNIA).

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