

Sygnia Itrix FANG.AI Actively Managed ETF

Minimum Disclosure Document (MDD)

Global - Equity - General

31 December 2025

LOW	LOW MEDIUM	MEDIUM	MEDIUM HIGH	HIGH
LESS RISK/ RETURN			MORE RISK/ RETURN	
1 YEAR+	2 YEARS+	3 YEARS+	5 YEARS+	7 YEARS+

Portfolio Managers	Kyle Hulett, Wessel Brand
Inception	29 September 2023
Fund Size	R 930 Million
NAV Price	1 772 cents
Units in Issue	52 507 238

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.

Income Distribution

Bi-Annually (December and June)

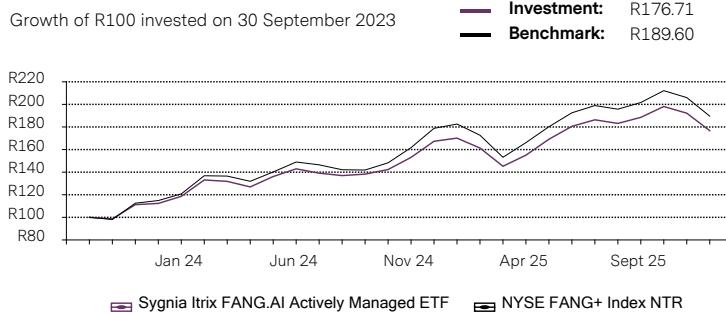
Trustees

Standard Bank Trustees (021 441 4100)

Fund Information

Classification	Global - Equity - General
Asset Allocation	100% Offshore
NAV/Index Ratio	ca. 1/1000
Financial Year End	31 December
Benchmark	NYSE® FANG+™Index
Dividend Distribution	Semi-annual distribution
NAV Publication	Daily on sygnia.co.za
Portfolio Valuation	Close of relevant market
Foreign exchange source	World Market fix rate 16:00pm EST

Cumulative Investment Performance



Cumulative investment performance is for illustrative purposes only and is calculated using the NAV before any distributable income and management fee.

Top 10 Holdings

Instrument	Percent
NVIDIA Ord Shs	10.6%
Alphabet Ord Shs Class A	10.3%
Broadcom Ord Shs	10.3%
Amazon Com Ord Shs	10.1%
Microsoft Ord Shs	9.9%
Meta Platforms Ord Shs Class A	9.9%
Palantir Technologies Ord Shs Class A	9.8%
CrowdStrike Holdings Ord Shs Class A	9.7%
Apple Ord Shs	9.7%
Netflix Ord Shs	9.6%

Historical Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2023										-1.3%	12.7%	1.0%	12.3%
2024	5.6%	12.2%	-0.9%	-3.7%	7.2%	5.0%	-2.7%	-1.5%	0.9%	3.0%	7.6%	9.3%	49.0%
2025	1.7%	-5.2%	-10.0%	6.7%	9.1%	6.8%	3.2%	-1.7%	2.9%	5.1%	-3.0%	-8.1%	5.6%

Since inception performance figures are available on request.

Risk Statistics

	Fund	^BM
% Negative Months	37.0%	40.7%
Average Negative Month	-3.8%	-3.6%
Largest Drawdown	-14.6%	-16.1%
Standard Deviation	20.2%	21.9%
Downside Deviation	10.6%	11.8%
Highest Annual Return: Jan 2024 - Dec 2024	49.0%	55.7%
Lowest Annual Return: Jan 2025 - Dec 2025	5.6%	6.0%

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

Fees

Management Fee	1.00% **
Other costs	0.06% **
VAT	0.16%
Total Expense Ratio (TER)	1.19% (Dec 2025)
Transaction Costs (TC)	0.01% (Dec 2025)
Total Investment Charge (TIC)	1.20% (Dec 2025)

**Fees are exclusive of VAT

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Fund commentary

Minimum disclosure document (MDD)

Global - Equity - General

4th Quarter 2025

Market performance

Global markets delivered impressive returns in 2025, with the dramatic 10% decline in the US dollar emerging as the defining force across asset classes. The greenback's weakest annual performance since 2017, driven largely by President Trump's punitive tariff regime, reshaped investment outcomes and created significant divergence between dollar-based and local currency returns.

The S&P 500 posted a 16% gain in dollar terms, supported by three additional Federal Reserve rate cuts totalling 75 basis points and by ongoing enthusiasm around artificial intelligence (AI) investments. While market leadership broadened modestly beyond mega-cap technology stocks, companies at the forefront of the AI revolution remained the primary drivers of performance.

Currency movements told a different story for domestic investors, however. The rand's 14% appreciation against the dollar significantly reduced US equity returns to just 2.2% in South African currency terms, highlighting the material impact of foreign exchange fluctuations on investment outcomes.

The real winners in 2025 were commodity-linked and emerging market (EM) assets. Gold and silver recorded their strongest annual gains since 1979, while copper surged by the most in a decade. This commodity rally propelled the FTSE/JSE Capped All Share Index to an exceptional 43% return, marking a standout year of domestic asset outperformance. The JSE All Bond Index gained 24.2%, the second consecutive year of strong double-digit returns for South African bonds.

EMs broadly benefitted from dollar weakness, with the MSCI Emerging Markets Index returning 17.3% in rand terms, outperforming the MSCI World Index by 11 percentage points.

The Federal Reserve cut rates by 25 basis points in December 2025, bringing the federal funds rate to 3.5–3.75%. While equity markets responded positively, reaching new all-time highs, Chair Jerome Powell's accompanying statement suggested limited additional easing ahead. The Fed's language describing policy as "appropriately positioned" mirrors the phrasing that preceded a nine-month pause in 2024. With inflation still running near 3% and Powell's term extending through May 2026, the central bank appears set to hold rates steady until at least mid-year. Markets are currently pricing in a potential cut in April or June, followed by another in September, while the Fed's own projections suggest just one cut for the entire year.

However, a significant wildcard is Powell's anticipated replacement by Kevin Hassett, who is viewed as more aligned with the Trump administration. Hassett has indicated he sees no tariff-related threat to the Fed's 2% inflation target, potentially opening the door to more aggressive rate cuts than currently anticipated.

This environment is expected to support a stronger dollar in the first half of 2026 before it weakens again and equity volatility increases as expectations adjust. Fixed income yields are likely to remain attractive at the front end of the curve, while longer-dated bonds may face pressure as tariff-driven inflation concerns filter through the market.

A further wildcard is Trump's proposed signature "Freedom Cheque" initiative, which represents approximately \$300 billion in annual direct payments to working-class households, equivalent to 1% of GDP.

RISK PROFILE



TIME HORIZON



Fund performance

The Sygnia Itrix FANG.AI Actively Managed ETF delivered a return of -8.1% in rand terms for the quarter, marginally behind the fund's benchmark. This performance was driven by some rotation out of the US technology sector towards the broader market, while the appreciation of the South African rand relative to the US dollar detracted from performance.

The fund's allocation to Alphabet (Google's parent company), Apple and Amazon were the largest contributors to performance during the quarter. Netflix and ServiceNow were the largest detractors during the quarter, with both companies' share prices down more than 15%. The fund bought into Palantir Technologies in the quarter for the first time, while it sold out of its position in ServiceNow.

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 are supported by large pools of capital, consistently demonstrating strong financial performance. They are increasingly leveraging artificial intelligence (AI) and machine learning to develop powerful tools and services that enhance their customer offerings.

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.

Pending Congressional approval for a first-quarter 2026 rollout, this stimulus could push economic growth to 3.0–3.5%, well above the consensus estimate of 2.4%. With consumer spending being 70% of GDP, the program represents substantial demand stimulus. The fiscal implications are considerable. The US budget deficit could expand to 7.5% of GDP, and inflation may accelerate by 0.5–1 percentage point. With debt-to-GDP approaching 100%, concerns about fiscal sustainability are intensifying. Powell has already signalled that the Fed will not accommodate excessive fiscal stimulus, setting up potential policy tension later in the year.

US growth equities have reached extraordinary valuation levels by historical standards. The Shiller CAPE ratio, which adjusts for economic cycles, is at record highs and now exceeds levels seen in the dot-com bubble. Historical data suggest that after such valuation peaks, 10-year returns typically average just 0–3%. These elevated valuations increase the likelihood of heightened volatility and suggest the need for diversification and tempered return expectations.

While US markets trade at stretched valuations, EMs offer compelling alternatives. Trading at a CAPE ratio of just 13, EMs present the most attractive global valuations. Several factors support the case for EM exposure: many countries serve as critical links in the semiconductor supply chain benefitting from AI deployment; Chinese companies continue capturing global market share, particularly from European competitors; and commodity producers stand to benefit from AI data centre infrastructure buildouts and increased global defence spending.

European equities, trading at a CAPE ratio of 18, appear attractive on a relative basis but face structural challenges. Europe's productivity growth lags the US, Germany has continued to lose market share to China as infrastructure stimulus remains delayed, and France faces political gridlock. We generally prefer European bonds over equities given these headwinds.

We remain overweight equities through EM and South African equity exposure. We are underweight developed market bonds, particularly US Treasuries, offset by overweight positions in local currency EM bonds, which are expected to benefit from falling EM inflation and a weaker dollar environment.

Despite a constructive outlook, significant risks warrant monitoring. Geopolitical tensions are escalating between the US and Venezuela and between China and Japan, while prospects for a Russia-Ukraine peace deal remain uncertain. Tariff-driven inflation could force markets to reprice Federal Reserve rate cut expectations. Combined with elevated valuations and geopolitical uncertainty, we are bracing for heightened volatility throughout 2026.

The year ahead promises both opportunity and challenge as diverging growth dynamics, shifting monetary policy and stretched valuations create a complex environment for portfolio management. Geopolitics, fiscal stimulus and inflation expectations are likely to remain key themes as markets navigate this evolving landscape.

Important information to consider before investing

Investment Approach

The objective of the Sygnia Itrix FANG.AI Actively Managed ETF 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 is predominantly invested in global equities, which combines both equity market and currency risks. Furthermore, the fund invests specifically in companies involved in new and emerging technologies, which have a high degree of volatility. Risk is also high as the fund is a concentrated portfolio, with the fund's benchmark comprised of only ten shares. Effective exposure of the portfolio invested outside South Africa will always be above 80%, and is affected by, among other factors, general market risk, exchange rate risk, interest rate risk, liquidity risk and legal and regulatory risk.

Annualised performance figures represent the geometric average return earned by the fund over the given time period.

Performance is calculated based on the NAV to NAV calculation of the portfolio. Individual investor performance may differ as a result of initial fees, the actual investment date and dividend withholding tax.

Index Disclaimer

Fees

Sygnia Itrix AMETFs are Actively Managed Exchange Traded Funds that trade on stock exchanges and may therefore incur additional costs associated with listed securities. Sygnia Itrix does not provide advice and therefore does not charge advice fees. A schedule of fees and charges is available on request from Sygnia Itrix. Permissible deductions may include management fees, brokerage, STT, auditor's fees, bank charges and trustee 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 the published returns. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return.

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 NAV prices calculated?

Net Asset Value (NAV) 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. The price at which ETFs trade on an Exchange may differ from the NAV price published at the close of the trading day, because of intraday price movements in the value of the constituent basket of securities.

Disclaimer

The Sygnia Group is a member of the Association for Savings and Investment SA. Sygnia Itrix (RF) (Pty) Ltd is a registered and approved Manager under the Collective Investment Schemes Control Act, 2002. Sygnia Asset Management (Pty) Limited (FSP 873), an authorised Financial services provider, is the appointed investment manager of the Fund. Sygnia Itrix does not provide any guarantee with respect to the capital or return of the portfolio. Collective Investment Schemes (CIS) are generally medium to long-term investments. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending.

The value of investments/units may go down as well as up and past performance is not necessarily an indicator of future performance. AMETFs trade on stock exchanges and may therefore incur additional costs associated with listed securities. Unlike a unit trust, which can be bought or sold only once per day, an AMETF can be traded intraday, during exchange trading hours.

AMETFs may invest in foreign securities, which may be exposed to macroeconomic, settlement, political, tax, liquidity, and foreign exchange risks. Performance is calculated for the portfolio, and the individual investor performance may differ as a result of trading cost, price paid for investment share.

Additional information on the Index including its performance and tracking error can be viewed on the relevant Minimum disclosure document (MDD) on www.sygnia.co.za. A schedule of fees, charges and where the AMETF engages in securities lending activities, information on such securities lending activities may be requested via admin@sfs.sygnia.co.za or 0860 794 642.

The complete terms and conditions of your AMETF investment are contained in the fund's offering circular, pre-listing statement, programme memorandum and/or supplemental deed and index constituents with prices are published daily on Sygnia's website. The documents/information may be obtained from www.sygnia.co.za or on request from Sygnia.

Nothing in this document shall be considered to state or imply that the Fund is suitable for a particular type of investor. All the portfolio options presented are approved collective investment schemes in terms of the Collective Investment Schemes Control Act, No 45 of 2002 ("CISCA"). The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates.

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