

Sygnia Life Berkshire Hathaway Fund

30 September 2025

Portfolio Manager
Regulation 28
Fund Launch Date

Sygnia Life Limited
Non-compliant
24 May 2019

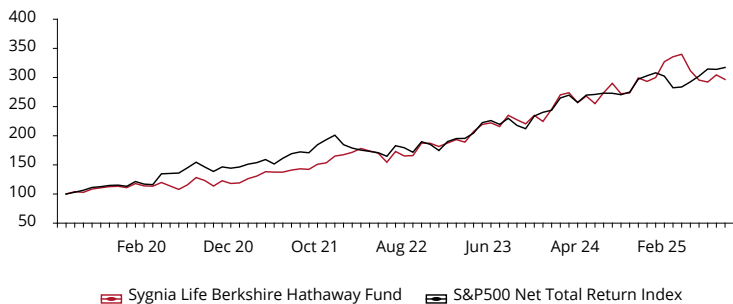
Objective

Legal Structure

Providing a low-cost fund that gives South Africans access to a global investment powerhouse

Linked Life Investment Fund available via Sygnia Life Policies

Cumulative Investment Performance



Asset Allocation

Asset	Percent	Allocation
Berkshire Hathaway Inc Common Stock	97.3%	
Berkshire Hathaway Ord Shs Class A	2.6%	

Performance Analysis

Periodic Performance	Fund	*BM	Difference
1 Month	-2.6%	1.0%	-3.6%
3 Months	0.4%	4.9%	-4.5%
6 Months	-11.6%	12.3%	-23.9%
Year to Date	1.1%	4.7%	-3.5%
1 Year	9.0%	17.3%	-8.3%
**3 Years	21.4%	22.7%	-1.3%
**5 Years	19.2%	16.7%	2.5%
**Since Inception	18.7%	20.0%	-1.3%

*S&P500 Net Total Return Index (R)

**Annualised performance figures

Historical Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2020	6.3%	-3.4%	-0.4%	5.6%	-5.0%	-5.2%	7.2%	10.8%	-4.0%	-7.7%	8.0%	-3.8%	6.4%
2021	0.7%	6.2%	3.5%	5.7%	-0.4%	-0.1%	2.6%	1.5%	-0.6%	6.2%	1.6%	7.6%	39.7%
2022	1.4%	2.5%	3.9%	-2.4%	-2.2%	-9.2%	12.0%	-4.4%	0.4%	12.9%	-0.2%	-2.9%	10.0%
2023	3.3%	3.2%	-2.3%	9.7%	5.8%	1.2%	-2.8%	8.9%	-3.3%	-3.1%	6.6%	-4.4%	23.7%
2024	9.3%	10.0%	1.4%	-6.2%	4.3%	-4.8%	7.3%	5.9%	-6.2%	0.5%	9.4%	-2.0%	30.6%
2025	2.3%	9.1%	2.6%	1.3%	-8.3%	-5.2%	-1.1%	4.2%	-2.6%				1.1%

Risk Statistics

	Fund	*BM
% Positive Months	60.0%	61.7%
% Negative Months	40.0%	38.3%
Best Month	12.9%	11.0%
Worst Month	-9.2%	-8.1%
Avg Negative Return	-3.6%	-3.1%
Maximum Drawdown	-14.0%	-18.0%
Standard Deviation	18.4%	15.7%
Downside Deviation	8.8%	7.5%

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

Fees

Management Fee	0.40% (Jun 2025)
Performance Fee	N/A
Advisory Fee	N/A
Total Expense Ratio (TER)	0.41% (Jun 2025)
Transaction Costs (TC)	0.00% (Jun 2025)
Total Investment Charge (TIC)	0.41% (Jun 2025)

FIND OUT MORE ABOUT OUR FUNDS:
WWW.SYGNIA.CO.ZA

Sygnia 

Sygnia Life Berkshire Hathaway Fund

Fund commentary

Minimum disclosure document (MDD)

3rd Quarter 2025

Market performance

The gold price surged more than 10% in September on the risk of a US government shutdown, pushing the real (inflation-adjusted) gold price to an all-time high. Gold's weighting has reached 15% of the JSE All Share Index, nearly three times its 2006 peak; including platinum group metals, total precious metals now account for 22% of the SA equity market, pushing the South African resources sector to more than double year to date. Gold previously performed well in the 2018/2019 US shutdown, and the short-term rise in gold has likely been driven by investors seeking safe haven. Beyond the shutdown, emerging market central banks are likely to continue to buy gold and President Trump will continue his attacks on the Fed, so gold's rally is likely to continue. However, the stretched price of gold has raised the risk of a short-term reversal.

The Fed lowered interest rates by 25 basis points, marking its first rate cut in 2025 amid emerging signs of a softening in the labour market. However, the Fed's Summary of Economic Projections (SEP) for 2026 showed an upgrade in growth expectations, raising GDP growth from 1.6% to 1.8%, increasing core personal consumption expenditure (PCE) inflation forecasts from 2.4% to 2.6% and lowering the unemployment rate from 4.5% to 4.4%. The combination of a rate cut alongside upgraded growth and inflation forecasts has raised investor concerns about Fed credibility and dollar debasement. Fed Chair Jerome Powell described September's rate cut as "risk management", but Bloomberg Economics suggests political pressure may have influenced the decision. The SEP and Fed rate cut forecasts suggest a Fed inflation target around 2.8%, higher than the Fed's official 2% target, raising the risk that this implicit inflation bias could shift even higher as the composition of the Federal Open Market Committee changes under Trump. Without political pressure, deep cuts are unlikely. Although the 5 September payroll report showed a significant drop in employment growth, the unemployment rate only ticked up slightly, to 4.3% – breakeven payroll gains (jobs needed to keep unemployment stable) have dropped as a result of a shrinking labour force caused by lower participation and the increased deportation of undocumented workers. The full impact of the increased deportation of undocumented workers may not yet reflect in the data, so the slowdown in labour supply may be greater than reported. This could push wages higher, which, alongside tariff-driven inflation, would likely reduce rate cuts.

While inflation rose less than expected, to 3%, the South African Reserve Bank (SARB) kept rates unchanged, with SARB governor Lesetja Kganyago blaming "the serious dysfunction in administered prices, which undermines purchasing power and weakens growth. The solution to this crisis is not a higher level of inflation, but rather sector-specific reforms to improve efficiency."

Infrastructure is a glaring weakness for South African competitiveness. Theo Boshoff, CEO of Agbiz, recently noted that it is still cheaper to import soya beans to Cape Town from Argentina than to transport them from South Africa's inland regions. According to the latest Ctrack data, South African freight volumes and overall activity have continued to deteriorate (from 2024 to end Q2 2025). Transnet is lining up public-private partnerships, but private sector "railing" operations are only expected to begin in 2026/27 at the earliest. According to Dr Sean Phillips, Director-General of the Department of Water and Sanitation, municipal debt owed to water boards tripled from 2018 to July 2025, reaching R24.58bn.

US reciprocal tariff rates for many neighbouring economies were reduced substantially in August from initial levels announced on Liberation Day, but South Africa's rate has remained unchanged from April. Standard Chartered believes this could reduce GDP by as much as 0.3 percentage points – significant when GDP is only expected to grow by 1%. Productivity remains key to improving SA growth. President Cyril Ramaphosa has acknowledged the significant challenges facing SA's public services, including a skills gap, outdated systems and processes, inconsistent service delivery and corruption. On the upside, reform momentum is at its highest level in over a year according to the Business Leadership SA tracker, and 26 of 240 reform deliverables have been marked as complete to date.

This year's upside growth surprise is due to tariff hikes occurring more gradually than expected, with the observed US tariff rate only reaching 9.7% in July. As front-loading spending in the US slows, a weakening of labour income will occur just as tariffs squeeze purchasing power, with the effective tariff rate expected to reach 19% by year end. US real labour income is thus projected to decline in the coming months. Despite slower employment, inflationary pressures from tariffs and immigration-driven wage increases pose significant risks that could prematurely end the Fed's rate cut cycle. Investment lead growth is supporting the economy for now and the Atlanta Fed's GDPNow model is spiking, suggesting GDP growth could reaccelerate to 3.3% in Q3. Cheaper energy, a weaker dollar, lower equity earnings yields and narrowing credit spreads are all stimulative for business activity.

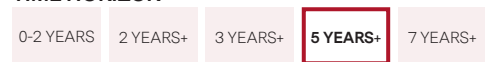
Geopolitical noise and risks remain high. The oil price spiked after Trump reversed his stance on Ukraine, writing on social media: "I think Ukraine, with the support of the European Union, is in a position to fight and WIN all of Ukraine back in its original form." Poland shot down 19 Russian drones that entered its airspace during a massive Kremlin airstrike on Ukraine, calling the trespass an "act of aggression". Polish Prime Minister Donald Tusk subsequently invoked NATO's Article 4 to consult allies on collective defence measures. Lithuanian President Gitanas Nausėda warned Russia over the recent entry of three armed Russian fighter jets into Estonian airspace and a series of incursions along the Eastern part of the NATO alliance countries.

Markets are very stretched and pullbacks are likely due to geopolitical risks or inflation. The Fed continues to provide liquidity, and fiscal stimulus is much stronger than it should be at this point in the economic cycle, which suggests that any pullbacks will be shallow.

RISK PROFILE



TIME HORIZON



Fund performance

The Sygnia Life Berkshire Hathaway Fund delivered 0.4% for the quarter in rand terms, giving up some of last year's alpha but in line with the Berkshire share price. It underperformed its benchmark, the S&P 500 Net Total Return Index, which returned 4.9%. The strengthening of the rand by 2.9% against the US dollar detracted from the fund's performance for the quarter.

The last quarter was muted for Berkshire Hathaway, although an announcement was made that the company would buy OxyChem from Occidental Petroleum for \$9.7b cash. Berkshire is currently the largest single investor in Occidental Petroleum, owning a stake of 26.9%. This could be the last major deal the company does with Warren Buffett as CEO before he retires at the end of this year.

The latest quarterly filing showed interesting investments into UnitedHealth Group, Constellation Brands, Lennar Corp and Pool Corp, with no share buybacks. The company was again a net seller of general equities, which could be a caution of the general market's valuation and Buffett's concerns with overvaluation, while cash and short-term Treasury exposure are at a record high of \$348bn. Buffett voiced his disappointment at Kraft Heinz Co's plan to split up the company, which Berkshire has an \$8.2bn investment in (27.5% of the combined entity).

The fund remains true to its investment objective of delivering returns that mirror those of Berkshire Hathaway Inc.

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Sygnia 

Important information to consider before investing

Investment Objective & Strategy

The Sygnia Life Berkshire Hathaway Fund is an innovative and low-cost fund that gives South Africans access to a global Investment powerhouse. Berkshire Hathaway Inc. is ranked as the world's largest financial services company on the Forbes Global 2000 list. It is headed up by two legendary executives: Chairman and CEO Warren Buffett.

With Berkshire "A" shares valued at over R4 million per share, the opportunity to invest in the company and take advantage of its high average annual growth rate was previously restricted to only a few. Through the Sygnia Life Berkshire Hathaway Fund, however, investors can now access the fund from as little as R5 000 on a monthly or once-off basis.

Berkshire Hathaway Inc. has holdings in a diverse collection of business activities, ranging from insurance – through companies like GEICO, Berkshire Hathaway Primary Group, General Re Corporation and Berkshire Hathaway Reinsurance Group – to railways (Burlington Northern Santa Fe, LLC), to regulated electric and gas utilities through Berkshire Hathaway Energy. Other holdings are in service and retail; the manufacture of industrial, consumer and construction goods; finance and financial products; and the wholesale distribution of groceries and other products.

Balancing Risk and Reward

The Sygnia Life Berkshire Hathaway Fund is a high-risk fund that invests in "A" and "B" class Berkshire Hathaway shares. As Berkshire Hathaway invests predominantly in US companies, the fund is benchmarked against the S&P500 Net Total Return Index. This fund is predominantly for long term investors seeking exposure to US equities with a value tilt.

The Sygnia Life Berkshire Hathaway Fund is suitable for investors seeking higher returns who are willing to tolerate a higher volatility of monthly returns. The investment term for investors in the fund is a minimum of five years.

Fees

Sygnia charges an annual management fee comprised of applicable basic fees paid to underlying managers and Sygnia's annual service fee.

Fees charged by underlying managers are treated as an expense of the account.

Sygnia does not provide advice and therefore does not charge advice fees. If a financial planner is appointed, initial and ongoing advice fees may be payable as agreed upon between you and your financial advisor. The payments of these fees are facilitated by the Linked Investment Service Provider (LISP) where the fund is made available and not directly by Sygnia.

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.

Disclaimer

Product provider and manager:

The Sygnia Group is a member of the Association for Savings and Investment SA. Sygnia Life Limited is an authorised financial services provider (FSP 2935) and licensed linked insurer (1197). Sygnia Asset Management (Pty) Limited is an authorised financial services provider (FSP 873) and is the appointed investment manager of the Fund.

Linked policies:

The policy benefits of the linked policies are determined solely on the value of the assets or categories of assets to which the policies are linked. The value of investments may go down as well as up.

Performance:

Past performance is not necessarily a guide to future performance. Performance is based on NAV-to-NAV calculations, with income reinvestments done on the ex-div date. Performance is calculated for the portfolio, and individual investor performance may differ as a result of initial fees, actual investment date, date of reinvestment and dividend withholding tax.

Guarantee:

The Manager does not provide any guarantee with respect to either the capital or the return of the portfolio.

Other risks:

The fund may from time to time invest in foreign countries and may therefore have risks regarding liquidity, the repatriation of funds, political and macro-economic situations, foreign exchange, tax, settlement and the availability of information.

General:

The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates.

Tax:

Tax will be levied within the fund according to the relevant tax legislation. For tax implications, please consult with a qualified tax advisor

SYGNIA LIFE LIMITED

Registration no. 2000/022679/06

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