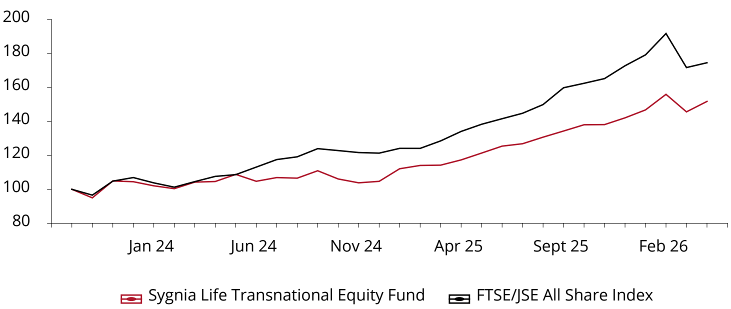
Sygnia Life Transnational Equity Fund

30 April 2026

LOW	LOW MEDIUM	MEDIUM	MEDIUM HIGH	**HIGH**
LESS RISK/ RETURN				MORE RISK/ RETURN
0 - 2 YEARS	2 YEARS+	3 YEARS+	5 YEARS+	**7 YEARS+**

Portfolio Manager	**Sygnia Life Limited**
Regulation 28	**Non-compliant**
Fund Launch Date	**11 September 2023**
Investment Objective	**The fund aims to provide investors with exposure to South African equity instruments that earn the majority of their revenue internationally.**
Legal Structure	**Linked Life Investment Fund available via Sygnia Life Policies**

Cumulative Investment Performance



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

Sector Allocation as at March 2026

Sector	*Percent*	*Allocation*
Industrials	52.3%	
Resources	34.8%	
Financials	12.5%	
Liquidity	0.4%	

Top 10 Equity Holdings as at March 2026

Asset	*Percentage*
BHP Group Ltd	10.4%
British American Tobacco Plc	10.1%
Compagnie Financière Richemont	9.9%
Anheuser-Busch InBev SA/NV	9.8%
Prosus Ord Shs	9.4%
Glencore Ord Shs	8.4%
MTN Group Ltd	8.1%
Anglo American Plc	4.1%
AngloGold Ashanti Ord Shs	4.0%
Gold Fields Ord Shs	3.3%

Performance Analysis

Periodic Performance	*Fund*	**BM*	*Difference*
1 Month	4.2%	1.6%	2.6%
3 Months	3.4%	-2.6%	6.0%
6 Months	10.0%	7.4%	2.5%
Year to Date	6.8%	1.0%	5.8%
1 Year	29.3%	30.1%	-0.8%
Since Inception	17.5%	19.2%	-1.6%

**FTSE/JSE All Share Index*

Historical Performance

	Jan	*Feb*	*Mar*	*Apr*	*May*	*Jun*	*Jul*	*Aug*	*Sep*	*Oct*	*Nov*	*Dec*	*Year*
2023										-5.0%	10.5%	-0.4%	4.5%
2024	-2.3%	-1.6%	3.8%	0.4%	4.0%	-3.7%	2.1%	-0.3%	4.1%	-4.4%	-2.1%	0.8%	0.2%
2025	7.1%	1.7%	0.2%	2.7%	3.4%	3.4%	1.1%	3.1%	2.8%	2.7%	0.1%	2.9%	35.7%
2026	3.3%	6.2%	-6.6%	4.2%									6.8%

Since inception performance figures are available on request.

Risk Statistics

	Fund	^BM
% Positive Months	71.0%	74.2%
% Negative Months	29.0%	25.8%
Best Month	10.5%	8.6%
Worst Month	-6.6%	-10.5%
Avg Negative Return	-3.0%	-2.7%
Maximum Drawdown	-6.6%	-10.5%
Standard Deviation	12.6%	12.4%
Downside Deviation	7.4%	11.7%

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

Fees

Initial Fee	0.00% (Mar 2026)
Management Fee	0.43% (Mar 2026)

Sygnia Life Transnational Equity Fund

Fund commentary

Minimum disclosure document (MDD)

1st Quarter 2026

RISK PROFILE

LOW	LOW MEDIUM	MEDIUM	MEDIUM HIGH	**HIGH**

LESS RISK/ RETURN — MORE RISK/ RETURN

TIME HORIZON

0-2 YEARS	2 YEARS+	3 YEARS+	5 YEARS+	**7 YEARS+**

Market performance

Escalation between the US/Israel and Iran has driven crude oil to $120 per barrel (/bbl). Equity, currency and bond markets across Europe and emerging economies have sold off sharply as carry trades unwind. The dollar has strengthened and gold has softened, reaffirming the dollar's safe-haven status in a high-geopolitical-risk environment.

US forces have struck Iran's Kharg Island, the country's principal crude export hub. Iran has struck its Gulf neighbours hard, removing 12 million barrels per day (mb/d) of supply and effectively closing the Strait of Hormuz and impeding the 20 mb/d that ordinarily transits it. In response, the International Energy Agency released 400 million barrels – larger than any prior drawdown. The US has also permitted purchases of sanctioned Russian oil, estimated at 124 million barrels. However, these measures combined amount to only 26 days of Hormuz-replacement supply. Yemen's Houthi militia have officially entered the war, which threatens to close the key Bab al-Mandab Strait, the alternative transit route via the Red Sea; this could affect a further 5mb/d of seaborne crude oil. On 18 March, Israel struck the Iranian portion of the South Pars/North Dome gas field, the largest gas field in the world (shared with Qatar). Iran retaliated with widespread attacks on oil and gas infrastructure, impairing 17% of Qatar's liquid natural gas capacity for three to five years. Natural gas prices have almost doubled year-to-date.

Even a unilateral US declaration of "victory" would not produce a clean exit. Several structural obstacles remain:

- Iran has rejected the US's 15-point proposal, wishing to maintain its nuclear facilities and gain recognition of its "authority" over the Strait of Hormuz.
- Iran "wins" by controlling the Strait. It is charging transit fees on some commercial vessels through the strait at $2m per voyage; the US has limited means to prevent Iranian drone attacks on Persian Gulf shipping, and Iranian mines make naval escorts operationally difficult.
- Russia benefits from a prolonged conflict, as higher prices are delivering a financial windfall to Moscow. Russia may also be supplying Iran with weapons.
- Israel has extended evacuation orders in southern Lebanon to cover 14% of the total area, and domestic Israeli polling shows overwhelming support for the operation Prime Minister Netanyahu has advocated for decades. Israeli skirmishes may thus independently continue to keep Iran engaged.
- Ports and infrastructure damaged during the conflict will take time to repair.
- Once drawn down, strategic reserves must be replenished, creating a persistent demand overhang.

JPM research shows energy prices close to $100/bbl through midyear (moderating towards $80/bbl thereafter), which would raise consumer prices by 1.0% and reduce growth by 0.8%. But the disruption extends well beyond crude oil. The Strait of Hormuz also carries critical flows of chemical and petrochemical products whose supply impairment has global implications for food, agriculture and semiconductor manufacturing. To place this in historical context, the Strait of Hormuz remained open during both the Gulf War (1990) and the Iraq War (2003).

The closest historical analogue is Russia's invasion of Ukraine in 2022, which disrupted the Black Sea, a critical corridor for grain and fertiliser. Around 50% of the world's seaborne sulphur trade passes through the Strait of Hormuz; sulphuric acid is a key input in wafer cleaning and microchip fabrication. The price of urea – the world's most widely used nitrogen fertiliser – has risen 70% since the conflict began, and ammonia is up 80%. The Middle East also supplies approximately one-third of the world's commercial helium, which is essential for semiconductor manufacturing equipment.

The US is most protected from this shock, as dollar strength dampened imported inflation for the US, growth coming into the shock was stronger than peers, the US is a net energy exporter and American WTI oil is trading $20/bbl cheaper than Brent crude. Energy goods and services as a share of US personal consumer expenditure have more than halved over the past 50 years. Europe is materially more exposed, as currency weakness provides less of a cushion against dollar-denominated commodities, and the region is bearing the primary burden of the sharp rise in natural gas prices. Energy costs account for about 11% of household income in Europe, compared with 3.4% in the US. We have reduced our eurozone bond allocation to neutral.

Major emerging market (EM) economies are oil importers, and households spend a higher share of consumption on transport and food than in developed markets. Immediate currency weakness has already raised inflation expectations, and EM central banks are being forced into rate hikes even as growth deteriorates. The combination of a stronger dollar, higher inflation, rising rates and deteriorating risk sentiment creates a deeply adverse environment for EM assets. We have reduced our EM bond and equity overweight to neutral.

The key question is whether the oil shock will trigger a major global downturn. The answer depends on the magnitude and duration of the energy shock. Historically, a sustained doubling of oil prices to around $130 for two months has been the threshold for a recession. The US has strong incentives to seek a relatively swift resolution to the conflict in the Middle East. However, even if a ceasefire happens immediately, it will take time for supply to return to the Strait. Given the uncertainty of the outlook, we have reduced our overweight in EMs back to neutral, including South African equities.

South Africa is heavily dependent on energy and fertiliser imports, and the rand has weakened materially. Rate expectations have shifted from pricing in nearly three cuts over the next twelve months to pricing in three hikes. If oil is sustained at $90/bbl and the USD/ZAR at 17.00 for three months, JPMorgan models headline CPI above 4.1% by June. Gold's failure to make new highs during this conflict represents an additional downside risk to South African equities, as precious metals make up one third of the Top 40 Index.

Fund performance

The Sygnia Life Transnational Equity Fund delivered 2.4% for the quarter, above its benchmark, the FTSE/JSE All Share, which returned -1.5%. The fund benefitted from its exposure to Glencore PLC, BHP Group Ltd and MTN Group Ltd, while its exposure to Prosus NV, Compagnie Financière Richemont SA and Naspers Ltd detracted from performance.

The only change to the tracked index's constituents over the period was the removal of Montauk Renewables Inc.

Remaining committed to its core investment objective, the fund continues to pursue sustained long-term capital growth by strategically investing in stocks with substantial international revenue streams.

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Sygnia

Important information to consider before investing

Investment Objective & Strategy

The Sygnia Life Transnational Equity Fund is a unique investment vehicle designed for South African investors who are limited by regulation from investing more than a specific amount offshore. The fund is actively managed and primarily invests in JSE-listed equities that have a predominantly offshore revenue exposure, providing investors with exposure to diversified global growth opportunities. This can be a valuable asset for investors who are concerned about the potential for South African growth to stagnate.

Balancing Risk and Reward

The Sygnia Life Transnational Equity Fund targets an overall 100% allocation to a concentrated selection of South African equities and has a high risk profile. It is a suitable investment for investors seeking higher returns who are willing to tolerate higher volatility and aim to maximise capital accumulation over a longer-term time horizon. Given the specialist nature of the fund, it should be used as part of a broadly diversified investment strategy rather than as a sole equity investment.

Fees

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

Sygnia Life has agreed performance fees with certain of the underlying managers. These performance fees are designed to encourage and reward performance by the investment manager in excess of agreed performance benchmarks with the objective of enhancing the overall portfolio returns and increasing the likelihood of the portfolio achieving its return objectives.

Fees are quoted exclusive of performance fees. To the extent that the fund is invested in underlying hedge funds or international fund of funds it may result in a higher fee structure. 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) and not directly by Sygnia.

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 (I197). 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:
Sygnia 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:
Sygnia has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates.

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