Sygnia Life Berkshire Hathaway Fund

31 July 2026

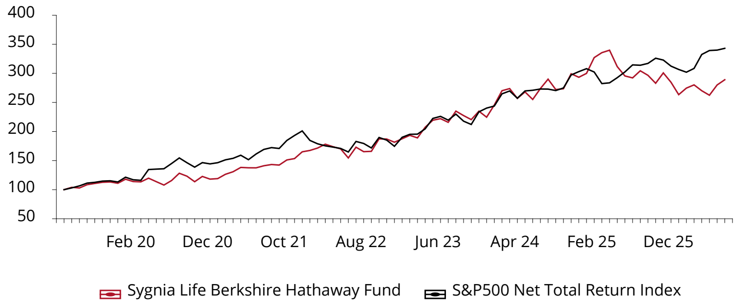
LOW	LOW MEDIUM	MEDIUM	MEDIUM HIGH	**HIGH**

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	**24 May 2019**
Objective	**Providing a low-cost fund that gives South Africans access to a global investment powerhouse**
Legal Structure	**Linked Life Investment Fund available via Sygnia Life Policies**

Cumulative Investment Performance



Asset Allocation as at 30 June 2026

Asset	*Percent*	*Allocation*
Berkshire Hathaway Inc Common Stock	97.2%	
Berkshire Hathaway Ord Shs Class A	2.7%	

Performance Analysis

Periodic Performance	*Fund*	**BM*	*Difference*
1 Month	3.2%	0.9%	2.3%
3 Months	7.0%	3.2%	3.8%
6 Months	9.7%	11.8%	-2.1%
Year to Date	1.5%	9.8%	-8.3%
1 Year	-1.1%	9.0%	-10.1%
****3 Years**	10.2%	16.0%	-5.8%
****5 Years**	15.4%	15.2%	0.2%
****Since Inception**	16.0%	18.8%	-2.8%

**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*
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%	-4.6%	6.3%	-5.4%	-2.9%
2026	-7.5%	4.3%	2.0%	-3.6%	-2.9%	6.7%	3.2%						1.5%

Risk Statistics

	Fund	*BM
% Positive Months	58.3%	60.0%
% Negative Months	41.7%	40.0%
Best Month	12.9%	11.0%
Worst Month	-9.2%	-8.1%
Avg Negative Return	-3.9%	-2.8%
Maximum Drawdown	-22.8%	-18.0%
Standard Deviation	18.7%	15.3%
Downside Deviation	7.9%	7.2%

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 2026)
Performance Fee	N/A
Advisory Fee	N/A
Total Expense Ratio (TER)	0.42% (Jun 2026)
Transaction Costs (TC)	0.00% (Jun 2026)
Total Investment Charge (TIC)	0.42% (Jun 2026)

Sygnia Life Berkshire Hathaway Fund

Fund commentary

Minimum disclosure document (MDD) *2nd 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

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.

Fund performance

The Sygnia Life Berkshire Hathaway Fund delivered a flat return for the quarter in rand terms, underperforming its benchmark, the S&P 500 Net Total Return Index, which returned 10.2%, but in line with the Berkshire share price. The strengthening of the rand by 4.3% against the US dollar had a negative effect on the fund's performance. The underperformance relative to its benchmark is in line with other defensive sectors and is more due to macro factors than the company's fundamental developments.

This quarter marked the first Berkshire Hathaway annual general meeting hosted by newly promoted CEO Greg Abel.

Defensive resilience coupled with opportunistic, infrastructure-led capital deployment saw Abel make his first major strategic move, announcing the acquisition of Taylor Morrison Home Corporation for an enterprise value of $8.5 billion. This is an opportunistic bet on the structural undersupply of US housing. Berkshire also significantly scaled its exposure to Alphabet (Google), agreeing to buy an additional $10 billion in shares as part of Alphabet's broader push to fund computing infrastructure for artificial intelligence.

The fund remains true to its investment objective of delivering returns that mirror those of Berkshire Hathaway Inc. While the leadership transition is the most significant change in the company's 60-year history, the operational results and strategic discipline observed this quarter suggest that the "culture of compounding" is well-protected.

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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 seven 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.

Disclosures and risks

This is a linked life investment fund made available through Sygnia Life Limited policies. The value of the investment is determined with reference to the underlying investment portfolio and may fluctuate over time due to market movements, changes in asset values and, where applicable, exposure to foreign markets and currency fluctuations. No guarantee is provided in respect of the capital invested or the return achieved.

Past performance cannot be extrapolated into the future and is not an indication of future performance.

Sygnia Life Limited is a licensed insurer (I197) and authorised financial services provider (FSP 2935). Sygnia Asset Management (Pty) Limited is an authorised financial services provider (FSP 873) and is the appointed investment manager of the fund.

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