Sygnia Life Transnational Equity Fund

31 October 2026

LOW	LOW MEDIUM	MEDIUM	MEDIUM HIGH	**HIGH**

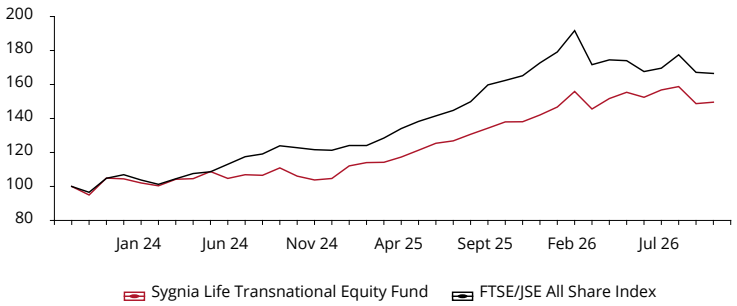
LESS RISK/ RETURN — **MORE RISK/ RETURN**

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 September 2026

Sector	*Percent*	*Allocation*
Industrials	53.1%	
Resources	34.2%	
Financials	12.1%	

Top 10 Equity Holdings as at September 2026

Manager	*Percentage*
Compagnie Financière Richemont	10.5%
BHP Group Ltd	10.2%
Prosus Ord Shs	9.9%
British American Tobacco Plc	9.8%
Anheuser-Busch InBev SA/NV	9.7%
Glencore Ord Shs	7.9%
MTN Group Ltd	7.6%
Anglo American Plc	5.2%
AngloGold Ashanti Ord Shs	3.9%
BID Corporation Ltd	3.4%

Performance Analysis

Periodic Performance	*Fund*	**BM*	*Difference*
1 Month	0.6%	-0.4%	0.9%
3 Months	-4.6%	-1.8%	-2.8%
6 Months	-1.4%	-4.6%	3.2%
Year to Date	5.3%	-3.6%	8.9%
1 Year	8.4%	2.5%	5.9%
****3 Years**	16.4%	19.9%	-3.6%
****Since Inception**	14.0%	14.3%	-0.4%

**FTSE/JSE All Share Index*
***Performance figures are annualised*

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%	2.4%	-1.9%	2.8%	1.3%	-6.3%	0.6%			5.3%

Since inception performance figures are available on request.

Risk Statistics

	Fund	^BM
% Positive Months	70.3%	67.6%
% Negative Months	29.7%	32.4%
Best Month	10.5%	8.6%
Worst Month	-6.6%	-10.5%
Avg Negative Return	-3.2%	-2.6%
Maximum Drawdown	-6.6%	-13.1%
Standard Deviation	12.5%	12.7%
Downside Deviation	7.6%	10.5%

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% (Sept 2026)
Management Fee	0.43% (Sept 2026)

Sygnia Life Transnational Equity Fund

Fund commentary

Minimum disclosure document (MDD)

3rd 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

Markets fell in September as energy prices surged 20%, forcing central banks around the world to raise interest rates, including the US Federal Reserve (the Fed), European Central Bank (ECB), Bank of Japan (BoJ) and South African Reserve Bank (SARB). Oil above $100 a barrel will weigh on global growth and push inflation higher, a damaging mix for markets. 2026 is also the third consecutive year in which central banks have projected an "immaculate disinflation" (inflation falling while growth is maintained) that has failed to materialise. Tariff-driven inflation has passed its peak, and energy inflation is expected to have peaked in Q3. A new concern is AI-capex-driven inflation, which is only expected to peak in Q4 or early 2027.

In the US, despite pressure from President Trump not to raise rates, new Fed chair Kevin Warsh raised the Fed rate by 25 basis points (bps), the first hike since July 2023. The committee's decision was unanimous, and it anticipates at least one more hike this year. The move was important for the credibility of both Warsh and the Fed, so attention can now return to the true drivers of bond yields. The US fiscal deficit is very large at 6% of GDP, and the conflict in the Middle East has renewed oil-driven inflation headlines. Even so, there is no evidence that markets are pricing in a loss of Fed credibility on inflation. Rising real yields reflect stronger growth expectations and a normalisation of the term premium to pre-quantitative-easing levels. There is also little global evidence that developed market government bonds carry a fiscal risk premium: the 30-year/10-year yield spread is below its historical median. Nor is the rise in yields a US-specific story. Yields have risen more in Germany, the UK and Japan than in the US in recent weeks, suggesting a broader global bear market in duration, driven by strong growth, oil prices, AI-related hyperscaler bond issuance and ongoing quantitative tightening by the BoJ and ECB. Given these limited credibility concerns, we have reduced our global bond underweight, funded from US cash, to diversify away from the dollar and lock in higher yields. We remain slightly underweight global bonds until the oil price falls and growth normalises, or fiscal rhetoric stabilises.

South Africa faces an approaching gas supply crisis as Mozambique's maturing gas fields decline and liquefied natural gas import terminals, meant to bridge the gap, remain delayed by policy paralysis. In the interim, cheaper piped gas will have to be replaced by costlier sources, and industrial gas prices are expected to double. This risks feeding into domestic inflation and could threaten hundreds of thousands of jobs. Local municipal elections in November are expected to bring a still-lower ANC vote share, more fragmentation and continued coalition volatility, none of which will support faster reform or growth.

South Africa's economy contracted by 0.2% quarter-on-quarter in Q2 2026. GDP growth for the year should still be around 1%, though the oil shock leaves downside risks. The October Medium-Term Budget Policy Statement should be positive thanks to the precious metals windfall, but weaker growth is now the major risk to the debt ratio and could push the debt peak further out. At its September meeting, the SARB lowered its growth forecast, raised its inflation forecast and hiked rates from 7% to 7.25%, which will further constrain growth. The SARB anticipates no additional hikes, but the market is pricing in two more.

The current account also suggests the rand is too strong. It fell to -2.6% of GDP in Q2, its worst position since 2019, reflecting a narrower trade surplus and a material widening in the invisible deficit. Higher oil prices raised import costs, narrowing the trade surplus, while the primary income deficit widened as South African companies repatriated commodity windfall profits to foreign shareholders as higher dividend payments. We remain neutral on SA bonds, balancing the global emerging market (EM) carry trade against negative fundamentals while noting the significant impact of oil prices on SA bonds.

On commodities, we prefer a broad basket over gold specifically. Central bank reserve diversification remains a genuine structural tailwind for gold, but valuations are stretched near 1980 peaks in real terms. A broader basket also captures commodities that benefit from the AI capex theme. Our preference for commodities supports our overweight position in South African equities, despite the risks that rising energy prices pose to EM energy importers. South Africa illustrates those risks: contracting growth, a wide current account deficit and a fragmenting political landscape.

The Middle East outlook continues to swing between a deal and escalation, most likely until at least the US midterms. The status quo since the end of February has continued, with high, volatile oil prices and record-high refining margins. The global backdrop remains one of resilient growth colliding with an energy and inflation shock. In global equities, we remain overweight. Growth remains strong, partly due to AI capex and partly due to heavy government support, which helps offset higher interest rates. Volatility is likely to stay high into the US midterm elections, but an AI-led productivity boom should support earnings growth and, in time, push inflation down.

Fund performance

The Sygnia Life Transnational Equities Fund delivered -2.4% for the quarter, below its benchmark, the FTSE/ JSE All Share Index. The fund benefitted from exposure to Glencore PLC, Anglogold Ashanti PLC and BHP Group Ltd, while its exposure to MTN Group Ltd, British American Tobacco PLC and Anheuser-Busch Inbev SA detracted from performance.

There were no changes to the tracked index's constituents over the period.

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.

CAPE TOWN: 7th Floor, The Foundry, Cardiff Street, Green Point, 8001 T +27 21 446 4940

JOHANNESBURG: Unit 40, 6th Floor, Katherine & West Building, West Street, Sandton T +27 10 595 0550

www.sygnia.co.za | info@sygnia.co.za

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.

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.

This fund invests in underlying collective investment schemes. Collective investment schemes in securities are generally medium-to-long-term investments. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. Cumulative investment performance is for illustrative purposes only.

SYGNIA LIFE LIMITED
Registration no. 2000/022679/06

CAPE TOWN: 7th Floor, The Foundry, Cardiff Street, Green Point, 8001 T +27 21 446 4940

JOHANNESBURG: Unit 40, 6th Floor Katherine & West Building, West Street, Sandton, 2196 T +27 10 595 0550

DURBAN: Office 2, 2nd Floor Ridgeview, 1 Nokwe Avenue, Ridgeside, Umhlanga Ridge, 4319 T +27 31 001 0650

www.sygnia.co.za | info@sygnia.co.za

Sygnia