Sygnia Life Bitcoin Plus UPF

31 October 2026

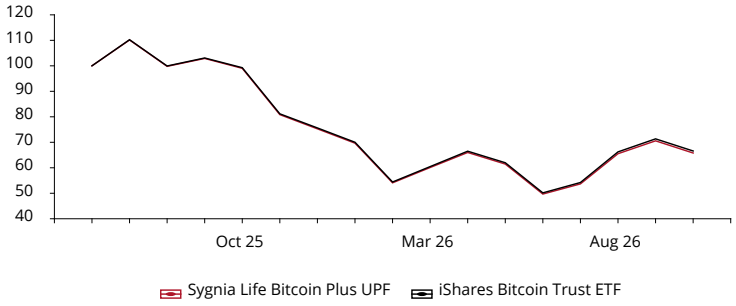
LOW	LOW MEDIUM	MEDIUM	MEDIUM HIGH	**HIGH**

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

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

Portfolio Manager	**Steven Empedocles, Mish-Al Bassadien**
Regulation 28	**Non-compliant**
Fund Launch Date	**16 June 2025**
Investment Objective	**Provide exposure to bitcoin via a crypto portfolio benchmarked against the iShares Bitcoin Trust ETF**
Legal Structure	**Linked Life Investment fund available via Sygnia Life Policies**

Cumulative Investment Performance



Cumulative investment performance is for illustrative purposes only.

Asset Allocation

Asset Class	*Percentage*	*Allocation*
Global Crypto*	100.0%	

* *Effective Exposure*

Performance Analysis

Periodic Performance	*Fund*	**BM*	*Difference*
1 Month	-6.8%	-6.7%	-0.1%
3 Months	22.6%	22.8%	-0.2%
Year to Date	-12.6%	-12.0%	-0.6%
1 Year	-33.6%	-32.9%	-0.6%
****Since Inception**	-26.9%	-26.3%	-0.7%

**iShares Bitcoin Trust ETF*
***Performance figures are annualized*

Historical Performance

	Jan	*Feb*	*Mar*	*Apr*	*May*	*Jun*	*Jul*	*Aug*	*Sep*	*Oct*	*Nov*	*Dec*	*Year*
2025							10.1%	-9.4%	3.1%	-3.8%	-18.3%	-6.9%	-24.7%
2026	-7.5%	-22.3%	11.1%	9.8%	-6.9%	-19.1%	8.0%	22.1%	7.7%	-6.8%			-12.6%

Since inception performance figures are available on request.

Risk Statistics

	Fund	^BM
% Positive Months	43.8%	43.8%
% Negative Months	56.3%	56.3%
Best Month	22.1%	22.2%
Worst Month	-22.3%	-22.3%
Avg Negative Return	-11.2%	-11.1%
Maximum Drawdown	-54.9%	-54.5%
Standard Deviation	43.7%	43.7%
Downside Deviation	23.5%	23.5%

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

Fees

Management Fee	1.20% per annum

Sygnia Life Bitcoin Plus UPF

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 Bitcoin Plus Fund delivered a strong 42.0% in rand terms for the quarter, marginally below its benchmark, the iShares Bitcoin Trust ETF, which returned 42.2%.

The strong performance was driven by a sharp reversal in investor demand, with US spot bitcoin ETFs recording net inflows of more than $6 billion, reversing the previous quarter's net outflows. Meanwhile, Strategy, the largest corporate holder of bitcoin, resumed its purchases in late August after selling bitcoin earlier in the year. Momentum held in September despite the Fed's first rate hike in more than three years, supported by the largest single-day ETF inflow of 2026, at almost $1 billion.

The fund remains true to its investment objective of providing exposure to bitcoin and delivering returns in line with the iShares Bitcoin Trust ETF.

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Important information to consider before investing

Investment Objective & Strategy

The Sygnia Life Bitcoin Plus UPF is an innovative fund that provides exposure to bitcoin via a bitcoin ETF. The fund is benchmarked against the performance of the iShares Bitcoin Trust ETF, which was launched in 2024 by Blackrock, the world's largest asset manager and leading ETF provider.

The fund allows investors to tap into bitcoin's price movements, providing an effective way for investors to diversify their portfolio. The fund uses derivatives to boost its returns by adding extra income from South African money market investments rather than holding overnight cash. This helps increase the overall return beyond the underlying market's return.

The Sygnia Life Bitcoin Plus UPF is suitable for investors wanting to allocate a portion of their investment to crypto without having to self-manage the risks of direct investments. This fund is designed to capture bitcoin's long-term growth potential through a structured portfolio.

Balancing Risk and Reward

The Sygnia Life Bitcoin Plus UPF is a high-risk fund that offers investors exposure to bitcoin. Given this exposure, the value of the fund and its underlying are closely tied to industry developments, regulatory changes and acceptance, making it susceptible to market sentiment. Crypto markets are largely unregulated and may not be protected by governments or financial institutions. The fund's returns are subject to extreme price volatility and the potential for loss, theft or compromise of private keys. Investing in crypto comes with risks that include large-scale sales by major investors, security threats like breaches and hacking, negative sentiment among speculators and competition from central bank digital currencies and financial initiatives using blockchain technology. A disruption of the internet or a digital asset network would affect the ability to transfer digital assets and, consequently, would impact their value. There can be no assurance that security procedures designed to protect the underlying digital assets will work as designed or be successful in safeguarding the underlying assets against all possible sources of theft, loss or damage. The strategy faces additional risks beyond these crypto-specific risks, including the risk that money market investments may underperform and the risk that the companies issuing derivatives may default. The former is mitigated by diversification and highly rated money market investments, while the latter is mitigated by regular mark to market of the positions. These risks could affect the performance of the Sygnia Life Bitcoin Plus Fund and result in partial or total capital loss for the investor.

The Sygnia Life Bitcoin Plus UPF is suitable for investors seeking higher returns who are willing to tolerate higher volatility. Given the high-risk nature of crypto, we recommend that investors not invest more than 5% of their living annuity or discretionary assets in these funds. The minimum investment term for investors in the fund is seven years.

Fees

Sygnia charges an annual management fee, which includes fees paid to underlying fund managers and Sygnia's service fee. These fees are deducted from the fund and reflected in the Total Expense Ratio (TER).

Sygnia does not provide financial advice. If you appoint a financial advisor, any advice fees agreed with them will be facilitated through the Linked Investment Service Provider (LISP), not Sygnia.

Disclaimer

This is a linked life investment fund made available via Sygnia Life Limited policies. Sygnia Life Limited is the product provider. 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.

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