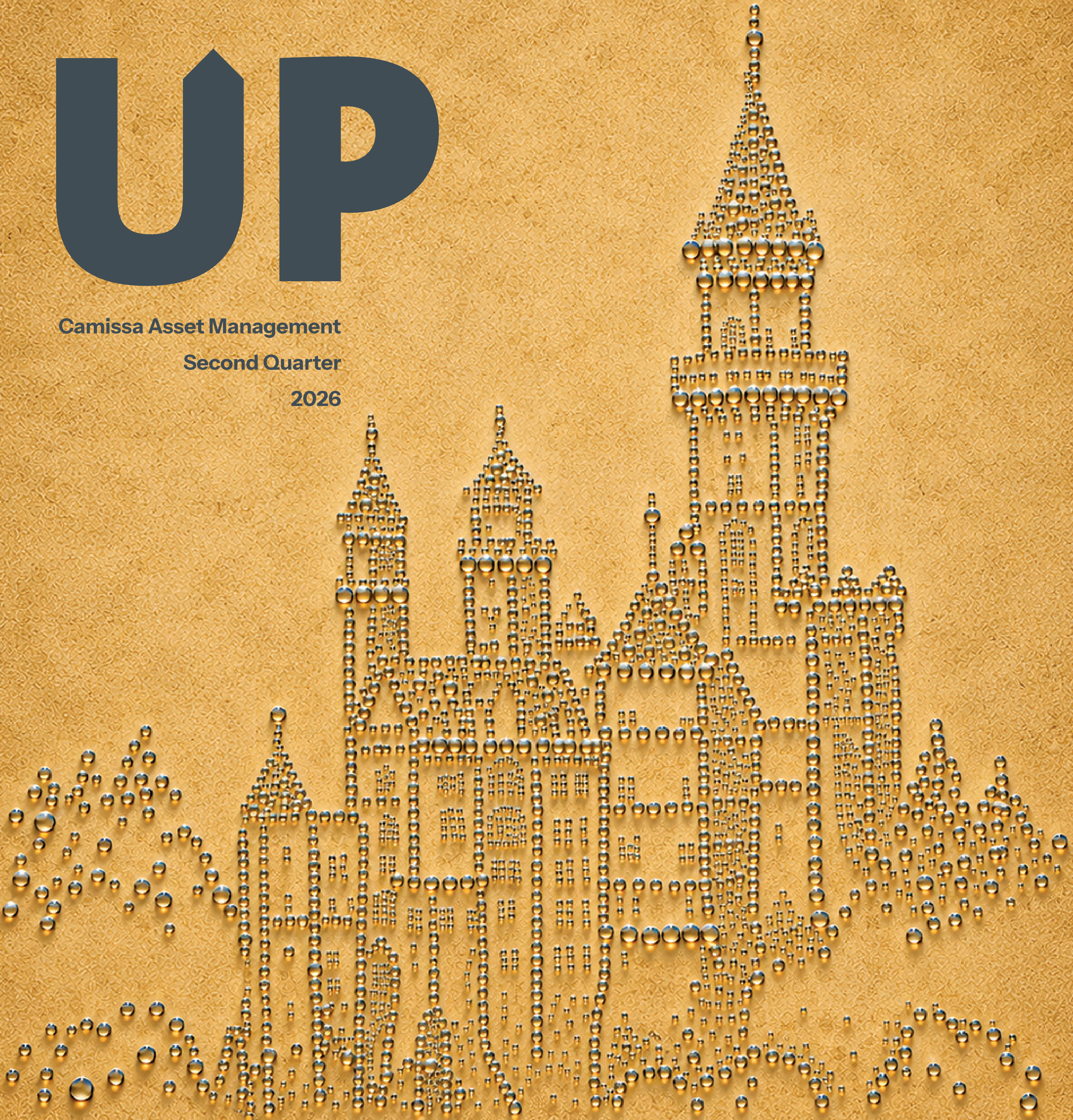
UP

Camissa Asset Management

Second Quarter

2026



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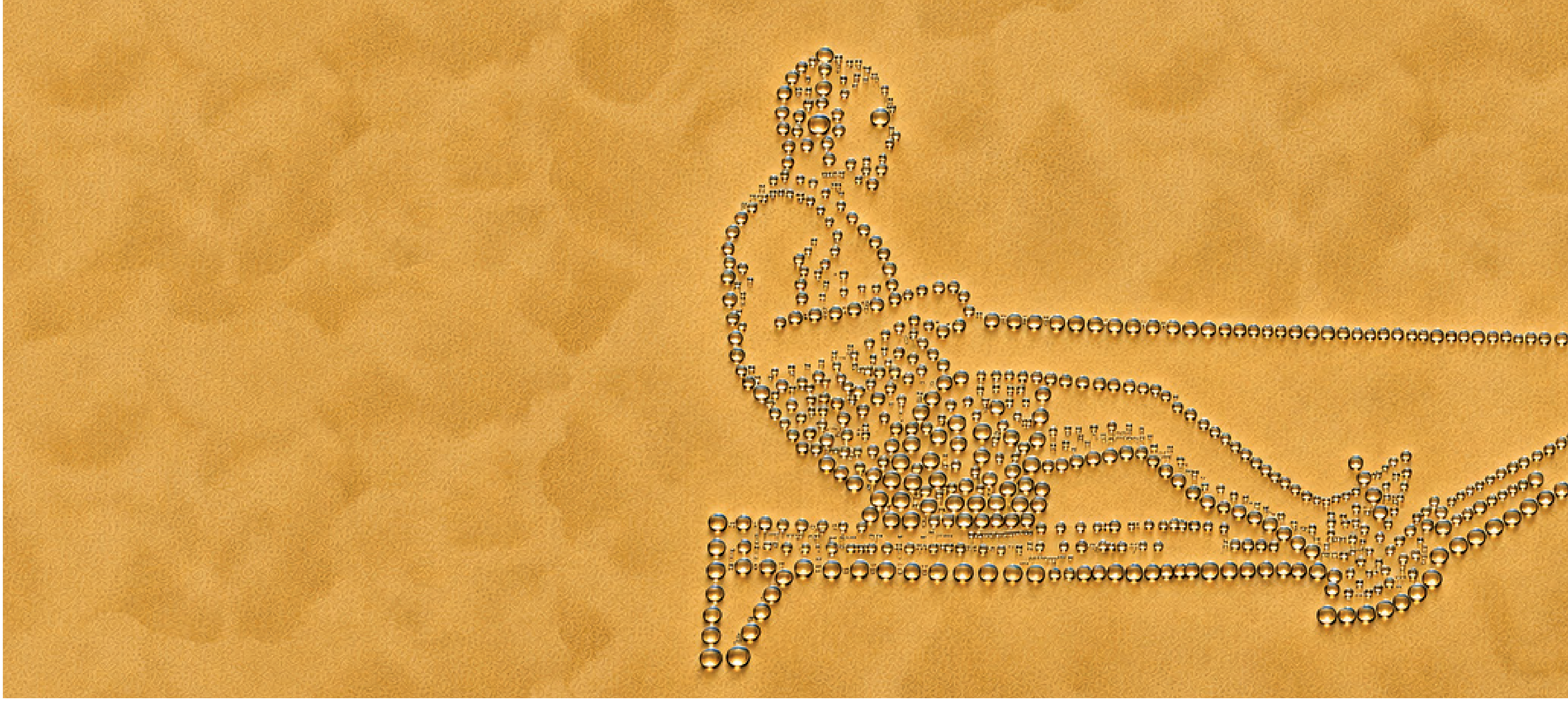

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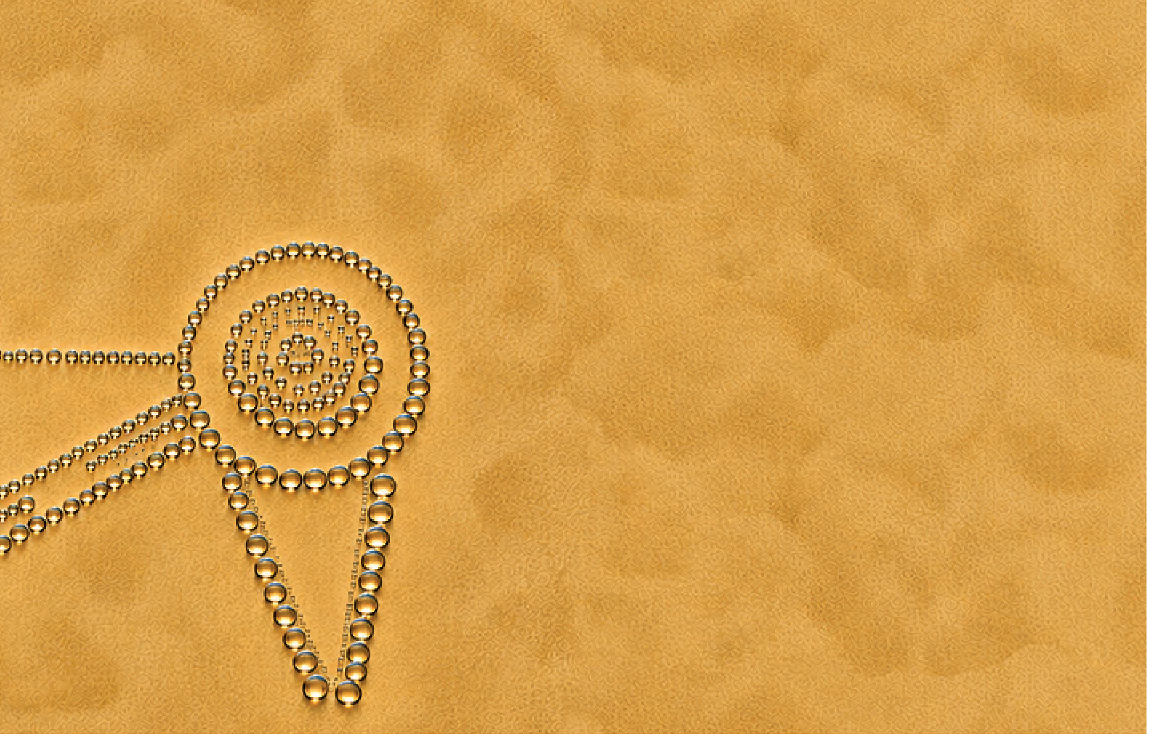


Virgin Active looks toward a fitter future

Dirk van Vlaanderen – Portfolio Manager

"The increasing prioritisation of health and wellness provides a durable long-term structural tailwind for the estimated US$120 billion global health and fitness industry. We unpack the opportunities for Virgin Active as it looks set to benefit from its premium positioning, improving member engagement and disciplined growth strategy."

Virgin Active looks toward a fitter future

The extensive club portfolio

Virgin Active was founded in the UK in 1999 and has grown to 226 clubs operating across four continents. South Africa remains the largest region by revenue (35%) and profits (57%), with approximately 625 000 active members across 128 clubs serving multiple target markets – *charted below*.

Virgin Active tailors its clubs to local preferences in each region. In Italy (27% of revenue), where it is the largest health and fitness club operator, its 31 clubs cater for members who typically exercise later in the day and value a lengthy post-work experience. Clubs therefore feature spacious, well-equipped changing rooms with massage pools, saunas and spa facilities. The UK (24% of revenue) consists of premium city-centre clubs serving professional commuters, complemented by larger clubs in suburban residential areas.

The Southeast Asian market features high population densities and an underpenetrated fitness sector, offering scope for future membership growth. Currently, Virgin Active has 23 clubs across Australia, Thailand and Singapore. In these markets, group exercise classes are a key attraction, and the gym serves as much as a social destination as it does a place to exercise.

Strong medium-term growth outlook

Government-imposed mobility restrictions during COVID had a severe impact on the health and fitness industry. Clubs across multiple territories were forced to close completely for an extended period, which meant the business generated zero revenue during this time, while still bearing many overhead costs. When they were allowed to reopen, it was under strict capacity limits. This caused active memberships to plummet, with revenue and cash flows following suit. Virgin Active responded decisively by reducing operating costs, minimising cash outflows through disciplined capital expenditure (ie essential maintenance only) and deferring rental payments.

As trading conditions normalised, membership levels recovered and profitability rebounded strongly. Virgin Active is now well-positioned to benefit from numerous growth initiatives, having emerged from the pandemic with a leaner cost base, a more disciplined capital allocation approach and a renewed focus on member engagement. As *illustrated on the following page*, management is targeting medium-term profits of £180-£200 million, resulting from continued membership growth, new club openings and refurbishments, and higher member spend. They are doing this with a careful focus on considered capital expenditure.

New leadership, enhanced strategy

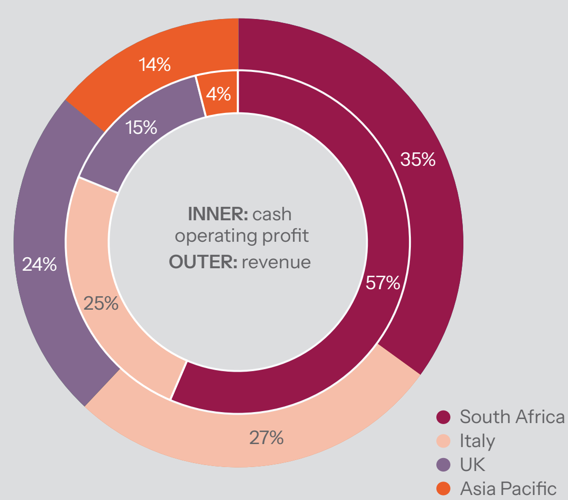
In March 2022, Dean Kowarski took the reins as the new global CEO of Virgin Active. He founded the Real Food Group, a collection of casual, health-focused restaurant chains, incorporating over 200 stores operating under the Kauai (acquired 2015) and Nu brands. The Real Food Group was acquired by Virgin Active when Dean joined the group. Under his leadership, Virgin Active's strategy has evolved from a traditional fitness offering toward a broader, more holistic wellness proposition, with a particular focus on higher income members via premium club formats.

An economically strong business model

Virgin Active's business generates recurring cash revenues from monthly memberships and requires relatively low capital investment, therefore delivering consistently high returns to shareholders. Returns on capital vary by market and depend largely on the extent to which landlords fund initial club fit-out costs, with these costs typically recovered through higher rental payments over the lease term, rather than being funded by Virgin Active.

Landlords in South Africa and Italy bear most of the initial capital costs under a "hot shell" model, resulting in exceptionally

Virgin Active's global business by region (2025)



Source: company reports

high returns on invested capital (ROIC) for Virgin Active on its new clubs, of 84% and 38% respectively *(see chart on next page)*. New club returns are more modest in the UK, at around 15%, where Virgin Active funds the full cost of opening new clubs.

Member engagement is a key focus

Central to Virgin Active's strategy is improving member engagement, which management believes will translate into higher member retention. The current member attrition rate is higher than general global averages (30-40%), at approximately 45% per year. Put differently, the company must replace almost half of its membership base every 12 months to maintain overall membership levels. This is a costly exercise given the marketing spend and sales commissions required to attract new members.

Reducing membership attrition therefore represents a significant earnings enhancement opportunity for Virgin Active, as higher retention enables the active membership base to grow at a significantly lower customer acquisition cost.

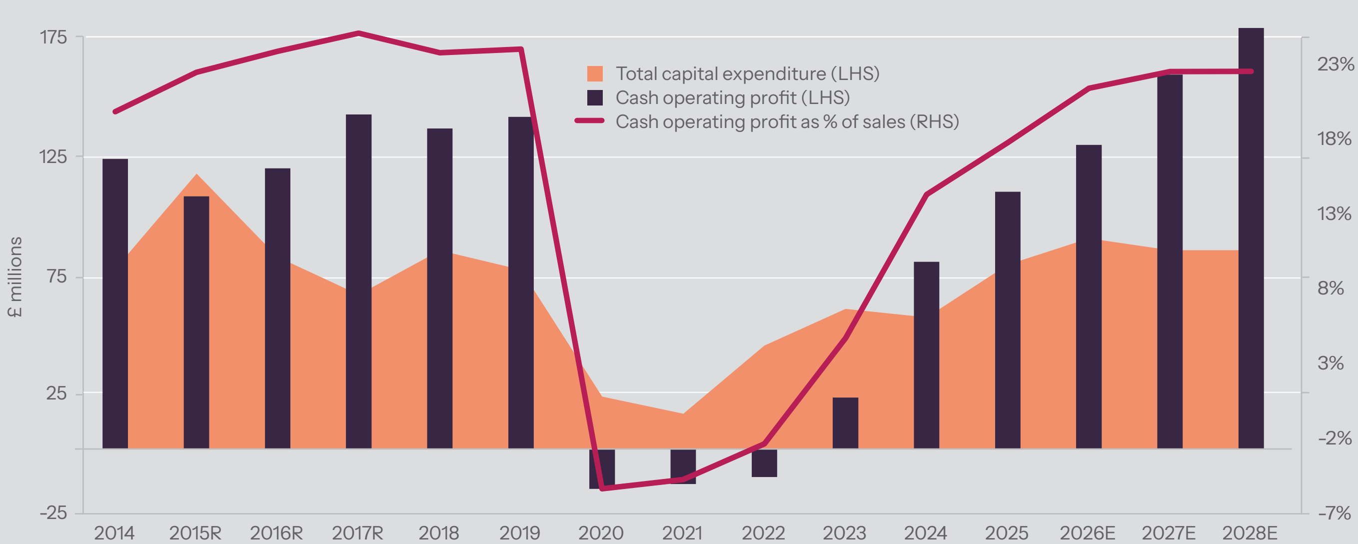
Members who attend clubs regularly and engage more deeply with the Virgin Active ecosystem are far more likely to renew their memberships. To strengthen engagement and build long-lasting member relationships, the company is:

- **Investing in gym refurbishments** - enhancing the member experience through upgraded equipment, new class offerings (such as reformer pilates, Hyrox and the Virgin Active Padel Club) and expanded recovery facilities (including ice baths and saunas). Refurbished clubs also offer improved social and co-working spaces where possible, encouraging members to spend more time in clubs, increasing engagement and strengthening community-led retention.
- **Focusing on hospitality** - delivering a consistently high-quality experience across all areas of the club, from front-of-house service and personal trainers to the food offering.
- **Expanding digital platforms** - particularly in the Virgin Active App. Member data is used to personalise interactions and deepen engagement. The app also enables the global rollout of Virgin Active's loyalty programme, incentivising activity and encouraging more frequent use.

Proven platform, ready for growth

Virgin Active has a healthy pipeline of new clubs over the next few years, that will increase its existing base by about 15%. These are all focused on the premium segment of the market, with 4 new clubs planned in South Africa, 1 in Chelsea in the UK and 23 earmarked for Italy, currently representing the largest growth opportunity. Although it already has a leading market position in Italy, management sees significant scope to grow materially by opening clubs in attractive suburban locations using its proven hot shell model.

Virgin Active's improving profit outlook



Source: company reports, Camissa Asset Management estimates

Virgin Active looks toward a fitter future

Virgin Active also plans to expand its premium wellness club concept into other European markets, having identified opportunities across seven key cities. The region's premium fitness and health club market remains fragmented and relatively underdeveloped, providing scope to replicate the success of its proven UK and Italy club model, through targeted expansion.

Club refurbishments offer the highest returns

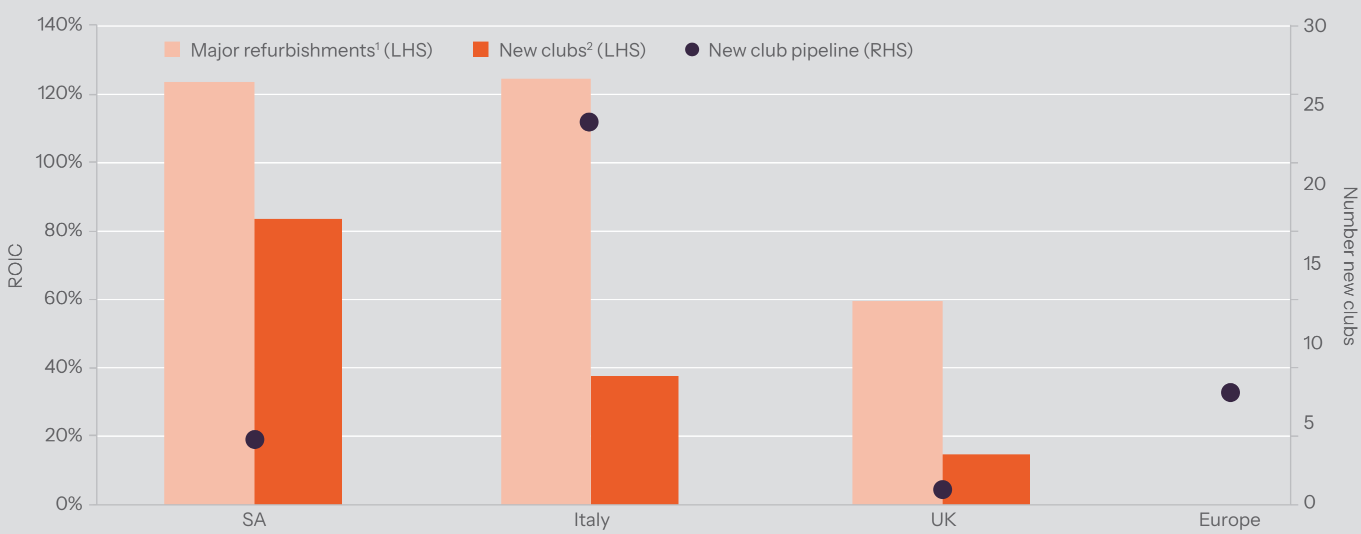
Virgin Active has invested significantly in upgrading its existing club estate, predominantly in South Africa and the UK (the Italian clubs are relatively new). Following refurbishment, membership fees are increased to reflect the club's enhancements and the improved member experience. This strategy has proven successful, with higher membership yields offsetting acceptable levels of attrition and, in some cases, membership growth. The Point club in Cape Town is a good example. Following a R130 million refurbishment, membership declined by just 4% despite a significant increase in headline pricing, while club profitability significantly improved.

Major refurbishment capital expenditure has generated very strong ROIC of around 125% in South Africa and Italy, and approximately 60% in the UK *(charted below)*. Beyond these attractive financial returns, refurbished clubs are a key driver of member engagement, leading to stronger retention, higher profitably and better long-term returns for shareholders. There remains a healthy pipeline of high-return refurbishment opportunities in South Africa and the UK. Virgin Active intends to continue allocating capital to this strategy.

Premium growth opportunity

Virgin Active has emerged from COVID as a stronger and more focused business, with a clear strategy centred on improving member engagement, investing in high-return club refurbishments and expanding its premium club footprint. We expect these initiatives to deliver improving profits for shareholders in the years ahead. Our client portfolios have exposure through JSE-listed Brait, an investment holding company that has a controlling stake in Virgin Active. UP

New and refurbished clubs offer high ROIC opportunities



[1] Incremental cash operating profit divided by refurbishment investment [2] Mature cash operating profit less maintenance capex divided by initial club investment

Source: company reports, Camissa Asset Management estimates

Fiserv - banking on payments

Ammaarah Tarmahomed – Investment Analyst

"Behind a morning coffee purchase sits a vast, interconnected network of requests and approvals moving between customers, merchants and banks. Like passengers navigating a busy airport, payments travel across shared infrastructure networks and pass through multiple checkpoints before arriving safely at their destination. Fiserv provides the software and processing infrastructure that helps move payments across several critical touchpoints in the financial system."

Fiserv - banking on payments

We examine their entrenched banking relationships and fast-growing merchant acquiring platform and assess the company's long-term prospects.

Invisible infrastructure behind everyday payments

When a customer taps their card, the payment terminal acts like an airport check-in desk, initiating the payment. The request flows to the merchant acquirer, which enables card acceptance, before the payment processor verifies the information and routes the transaction. Visa or Mastercard (predominantly, but also Fiserv) then provide the network connecting all participants, while the card issuing processor performs fraud and security checks. Finally, the customer's bank (like the airline) makes the approval decision based on available funds and credit limits - as *illustrated below*.

Fiserv generates roughly half of its revenue from banks by providing the software and payment infrastructure used to manage customer accounts, process payments and deliver digital banking services. The other half comes from enabling merchants to accept card payments, process transactions and receive funds. Although invisible to consumers, Fiserv is deeply embedded in the financial system, enabling the authorisation, processing and settlement of millions of transactions across the globe.

Embedded in a fragmented US banking system

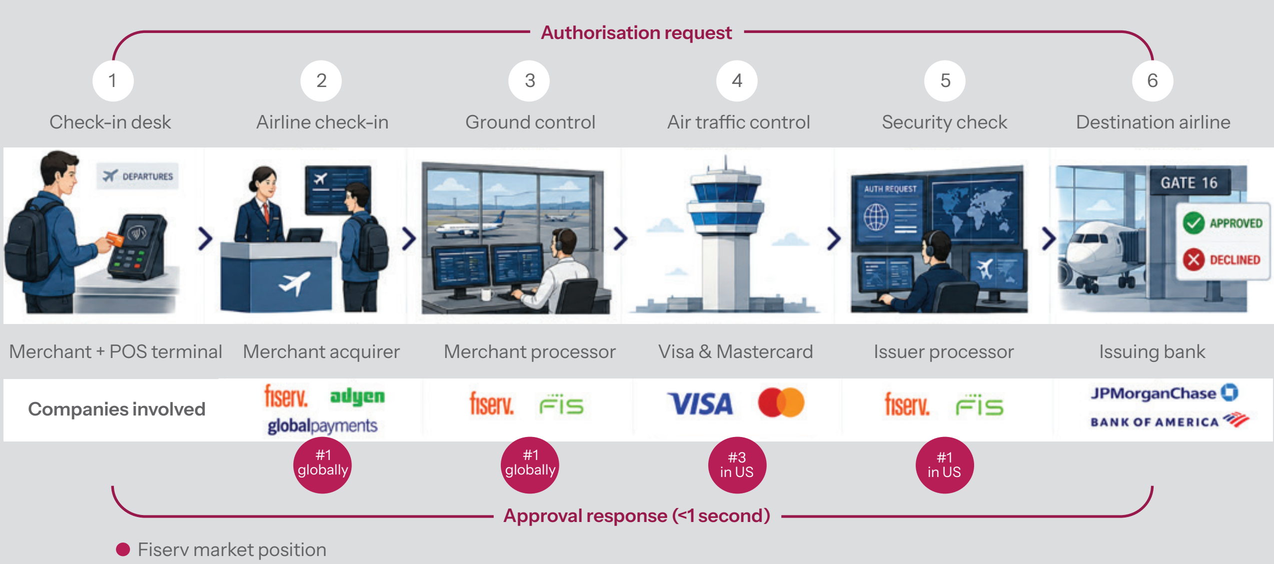
Fiserv began by providing core processing software to the highly fragmented US banking industry, where interstate branching restrictions left thousands of regional banks without the scale to develop complex technology, cybersecurity and compliance capabilities in-house. These banks rely on Fiserv's systems to authorise transactions, update customer records and monitor fraud in real time – making it difficult and operationally risky to consider changing providers.

As banks grow, Fiserv benefits from higher transaction volumes processed on its platforms and from increasing product adoption among existing clients. The result is a mostly recurring revenue stream on a low fixed cost base, which enables high incremental profit margins. However, Fiserv's banking software business growth is structurally constrained by infrequent core system replacements, tight bank technology budgets and industry consolidation, which reduces the addressable customer base. Nonetheless, these bank client relationships provide a valuable distribution platform for Fiserv's merchant acquiring business, which has become the company's fastest-growing segment.

A four-leaf growth story

Consider the coffee shop owner processing dozens of card transactions every day. Fiserv's flagship Clover product bundles

Journey of a digital transaction



Fiserv market position

Source: company reports, UBS, Gemini

point-of-sale hardware with a rich software layer that handles inventory tracking, staff scheduling, customer loyalty programs and real-time sales analytics - all from a single device. For a small business owner, this replaces a patchwork of unconnected tools with one seamless ecosystem, resulting in a deep, valuable relationship with Fiserv.

Today, Fiserv operates the third-largest debit network in the US and touches more than 95% of household transactions via its software. The financial model produces increasing returns to scale because additional payment volumes can be delivered via existing infrastructure at low incremental cost. The company uses existing relationships with banks, software partners and reseller networks to reach new merchants, giving Clover lower-cost routes to market than competitors, who depend only on direct sales.

While Clover has become the primary contributor to Fiserv's growth, it represents only one part of Fiserv's broader Merchant Solutions platform. The company also serves larger enterprise merchants and continues to invest in the technology underpinning the platform, broadening its product offering and improving efficiency. This gives Fiserv multiple avenues to grow, by expanding its merchant base and increasing the value of existing customer relationships through additional payment and software services.

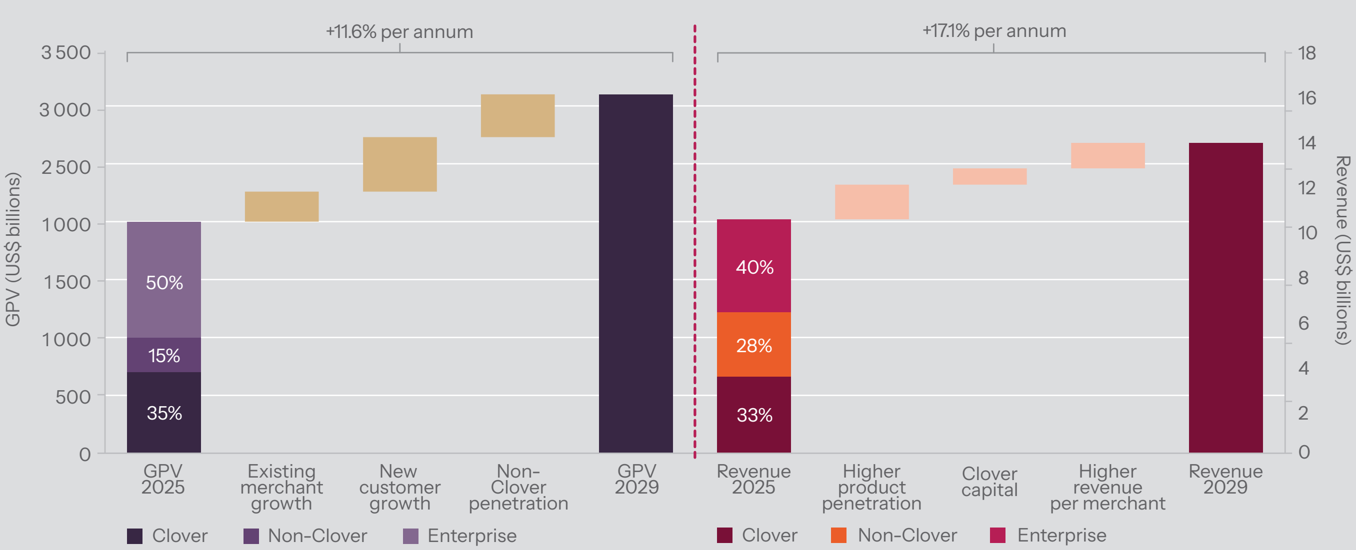
Management's growth targets for the segment, *shown below*, outline a clear path from roughly $2 trillion in total payments processed (GPV) today to over $3 trillion by 2029. They are targeting 10-15% per annum medium-term growth through three levers: volume growth from existing merchants, adding new merchants to the platform and converting the remaining 60% of Fiserv's legacy customer base to the Clover platform.

Revenue is expected to grow faster, at 15-20% per annum, as merchant adoption of value-added software (like lending product Clover Capital) rises and businesses increase their use of payment volume-related services. This allows Fiserv to capture a larger share of each customer relationship without relying solely on higher transaction volumes and provide a pathway to faster revenue growth and margin expansion.

Multi-decade compounder trading at a valuation discount

As *charted on the next page*, Fiserv has compounded earnings per share at an impressive double-digit rate for more than two decades. Until 2019, this growth track record was built on the back of the banking software business. Since the launch of Clover, the merchant business has become Fiserv's primary source of growth. Clover's contribution to group revenue has more than tripled over the past five years but still represents only a fraction of total revenue. With a large existing merchant base still to migrate, further customer wins and greater

Fiserv's flagship Clover product



Source: company reports

Fiserv - banking on payments

Clover software adoption, the platform is well positioned to become a significantly larger part of Fiserv over time.

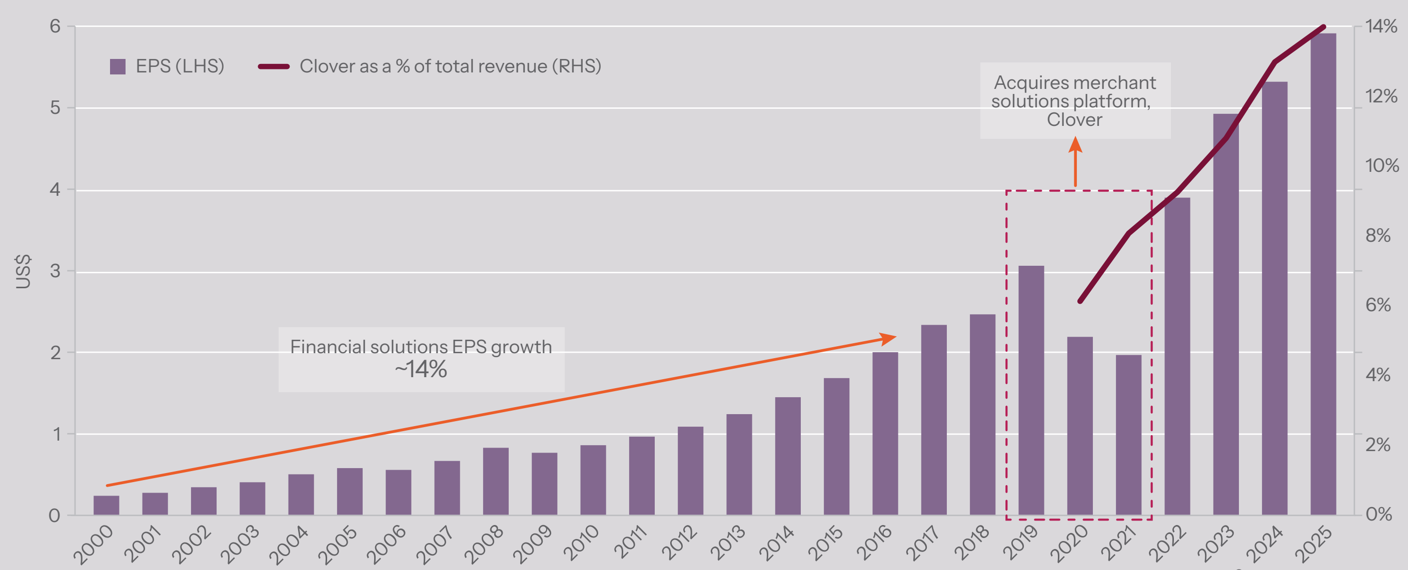
Fiserv's technology is mission-critical to the daily operations of thousands of financial institutions and millions of merchants. This dual positioning creates high switching costs and gives the company cross-selling and data advantages that stand-alone competitors cannot replicate. The software-based business model is highly capital efficient, requiring limited ongoing investment to scale. As a result, a high proportion of earnings converts into free cash flow, supporting continued investment in the business while also allowing Fiserv to return capital to shareholders.

More recently, execution missteps and the sudden departure of the newly appointed CEO weighed heavily on sentiment, resulting in a significant share price decline. At current levels, Fiserv trades at a share price that deeply underestimates the durability of its recurring revenue base, the potential to scale the Clover platform and the secular tailwinds supporting digital payments growth.

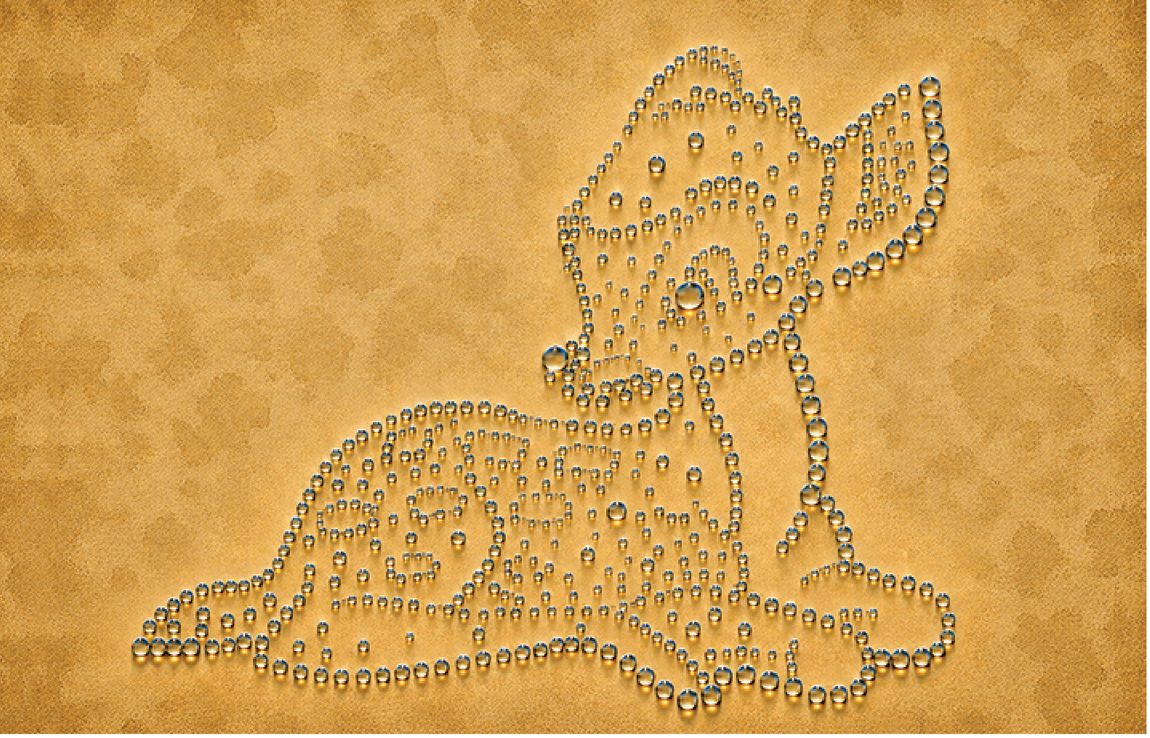
Like an airport, the payments system only works because critical infrastructure operates reliably behind the scenes. Over decades, Fiserv has built a unique position within this network, combining entrenched banking relationships with a scaled merchant platform, a highly recurring revenue base and robust cash generation.

We believe this disconnect presents an attractive opportunity to own a business with a proven track record, significant scale and competitive advantages in payments software. Our global fund clients therefore hold Fiserv. UP

Fiserv long-term earnings per share (EPS)



Source: company reports



Disney's timeless content

Lebeko Matabane – Investment Analyst

Disney's theme parks, products and streaming platforms may be its most visible businesses, but they all earn from the same source: its content. By owning some of the world's most valuable stories and characters, Disney can continue generating revenue from the same content through films, sequels, spin-offs, streaming, parks and merchandise for decades to come.

Disney's timeless content

We explore why, however audiences choose to engage with Disney's content, the value it generates should continue to grow.

A library for every age

Most people associate Disney with its classic characters and enduring stories that are an integral part of popular culture. Fewer realise that Pixar, Marvel and Star Wars are also part of Disney. Together, they form one of the world's most valuable collections of characters and media franchises. Disney owns 7 of the 10 highest-grossing films ever made across Marvel, Pixar, Lucasfilm and its own studios, each serving a different audience.

The original studio, **Walt Disney Studios**, produces family films built around characters that resonate with children and adults alike. These characters create demand for toys and attract families to Disney's parks. After *Frozen* was released in 2014, Elsa dresses sold out worldwide and the film's merchandise generated around $10 billion in global retail sales. As with most licensed merchandise, Disney received only a fraction of those revenues, with the majority going to toymakers and retailers – a model that continues to apply today. The 2002 film *Lilo & Stitch* generated over $4 billion in retail sales of Stitch merchandise in 2025, boosted by that year's live-action remake.

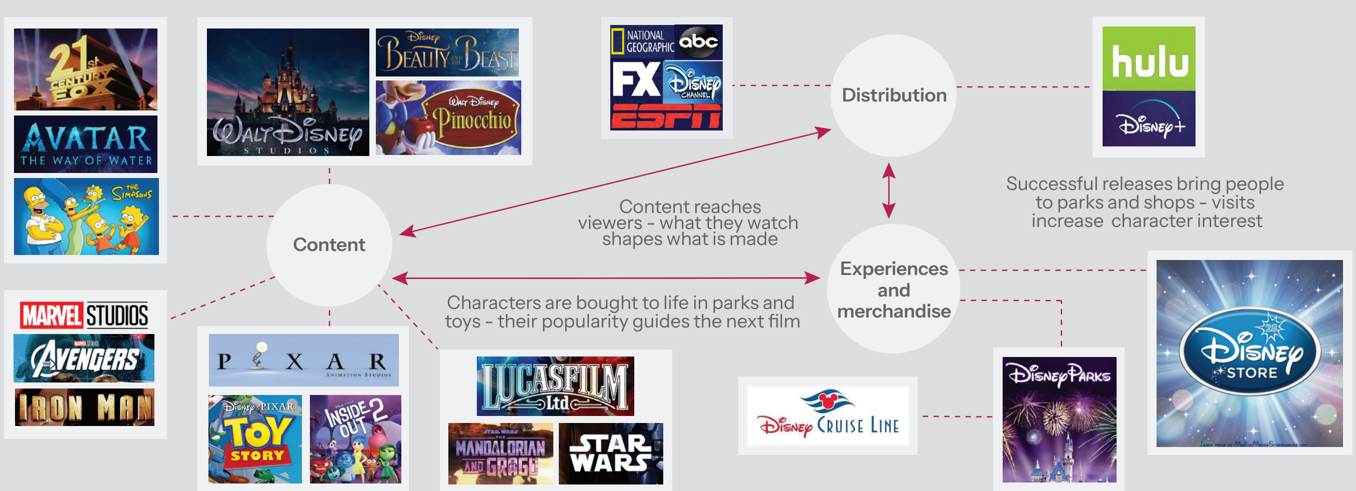
Pixar specialises in computer-animated films, with broad, cross-generational appeal. Since 1995, the *Toy Story* franchise has earned more than $3 billion at the box office, with a fifth film in the franchise opening in 2026 - 31 years after the first.

Marvel produces superhero films aimed primarily at teenage and adult audiences. Its films have collectively earned over $30 billion at the box office - the highest total of any film franchise - while also encouraging demand for action figures and collectibles. *Avengers: Endgame* grossed $2.7 billion, the second-highest grossing film of all time.

Lucasfilm's science-fiction franchises have a loyal fan base and generate revenue through collectibles and theme-park attractions. *The Mandalorian* introduced the character Grogu, whose merchandise has generated around $1 billion in annual retail sales since launch. Grogu demonstrated that a character created for streaming can be just as commercially successful as one originating from a feature film.

Reliance on familiar characters, however, carries the risk of franchise fatigue. Marvel is the clearest example, with recent films drawing far smaller audiences than at the studio's peak, following years of frequent releases. Disney's broad content library serves different audiences and reduces its reliance on any single franchise - while one may weaken, others continue to generate revenue. The model has run for almost a century, through repeated shifts in technology and character popularity cycles. The *chart below* shows how these characters reinforce

Disney's self-reinforcing loop



Source: Disney company reports, Camissa Asset Management one another across films, parks and merchandise, which is what makes the library durable.

The shift that costs Disney less

Disney's catalogue remains valuable because audiences continue to return to the characters they grew up with and new generations of children are introduced to old favourites. What has changed though is how the content is consumed, with streaming increasingly replacing cable television and reducing cinema attendance.

Cable television was once a reliable source of income for Disney. Operators paid a fee for every subscribing household. Its sports network, ESPN, carries high broadcasting costs, but the bundled cable model spread these costs across all subscribers, whether they watched sport or not. As cable subscriptions decline, that advantage is disappearing. Sold as a standalone service, ESPN must recover those costs from sports viewers alone, requiring higher prices against more uncertain demand.

Providing a streaming service carries significant upfront investment to build the platform to deliver a high-quality viewing experience and the content to attract subscribers. However, the cost of producing a film or show is largely fixed, so additional viewers add little incremental cost. Each new subscriber therefore contributes proportionally more to profit, making streaming increasingly profitable at scale. Disney entered streaming with a deep catalogue and known franchises, which let it build a large subscriber base fast and achieve long-term client retention. It operates two complementary services: Disney+ for its films and franchises, and Hulu for general entertainment.

Disney can also move content between cinema and streaming. A successful cinematic release attracts subscribers to Disney+, who would otherwise require costly marketing spend to acquire. In late 2024, *Deadpool & Wolverine* grossed $1.33 billion at the box office. In the same quarter, Disney+ added 4.4 million subscribers, with most joining the lower-priced, ad-supported tier.

The relationship also works in reverse. Characters established on Disney+ can be developed into feature films at lower risk as the audience already exists. The 2026 *Mandalorian and Grogu* film cost around $166 million, well below the $245-$317 million spent on Disney's *Star Wars* trilogy. This ability to build audiences across cinema and streaming is an advantage few competitors can replicate.

The lower-priced, ad-supported tier improves the economics of streaming. Subscribers pay a monthly fee while also generating advertising revenue from the content they watch. Because the content has already been produced, much of the additional advertising income flows directly to profit for Disney. As more subscribers choose this tier, advertising becomes a growing share of what streaming earns.

Disney's broader content library improves subscriber retention. Its franchises attract viewers, while Hulu's general entertainment gives them reasons to stay between major releases. Retaining subscribers costs less than acquiring new ones, therefore the longer they remain on the platform, the more profitable they become. Disney's revenue mix has shifted from cable towards streaming, even as the total has continued to grow. This is *illustrated on the following page*, with the logos on the right showing which brands sit in each part of the business. Sports appears as a separate line item only from 2022, when Disney began reporting it outside of the cable bundle.

Where Disney earns the most

Disney earns regardless of how audiences choose to consume its content, yet the highest returns come from bringing its characters into the physical world. The Experiences division is Disney's most profitable, generating revenue through theme parks, hotels and merchandise. Reflecting its strong profitability, Disney plans to increase investment in the division by approximately $60 billion over the next decade - equal to around $6 billion annually - up from a historical $3.5-$4 billion. Most of this will go towards expanding existing parks, from new themed areas such as Villains Land in Orlando to the doubling of Disneyland Paris. The remainder will fund growth in the Cruise business.

Disney's US theme parks are operating close to capacity. With limited scope to increase visitor numbers, future growth will come from higher spending per guest rather than larger crowds. Spend per guest has risen to around 60% above pre-COVID levels, as Disney has begun charging for services it once provided for free, increased prices on peak days, and used its mobile app to boost food and merchandise sales.

Disney's cruise fleet is expected to grow from 8 ships to 13 by 2031. The company is also using cruises to enter new markets, with the Singapore-based Disney Adventure opening access to Southeast Asia. Even as capacity expands, occupancy has remained near prior-year levels, indicating demand has kept

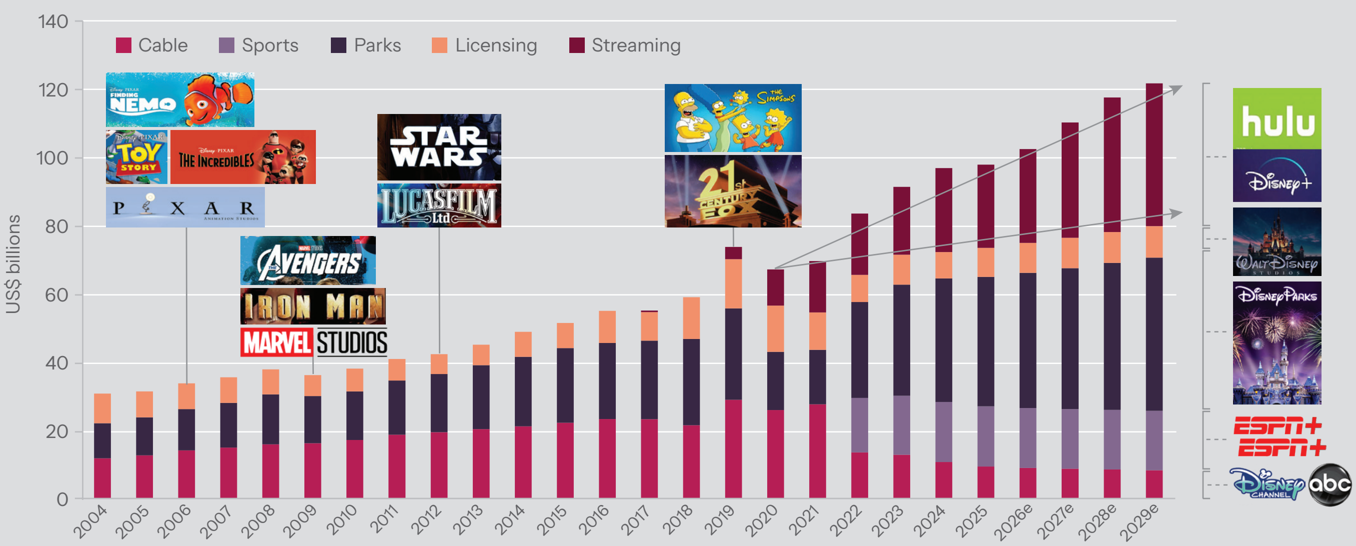
Disney's timeless content

pace with growth. Within the cruise industry, Disney benefits from scale, lower costs per passenger and higher onboard spending than all-inclusive boutique operators, delivering strong ship-level economics. That said, cruises still earn lower margins than the parks, so as their share of Experiences grows, they modestly dilute the segment's blended margin in the near term.

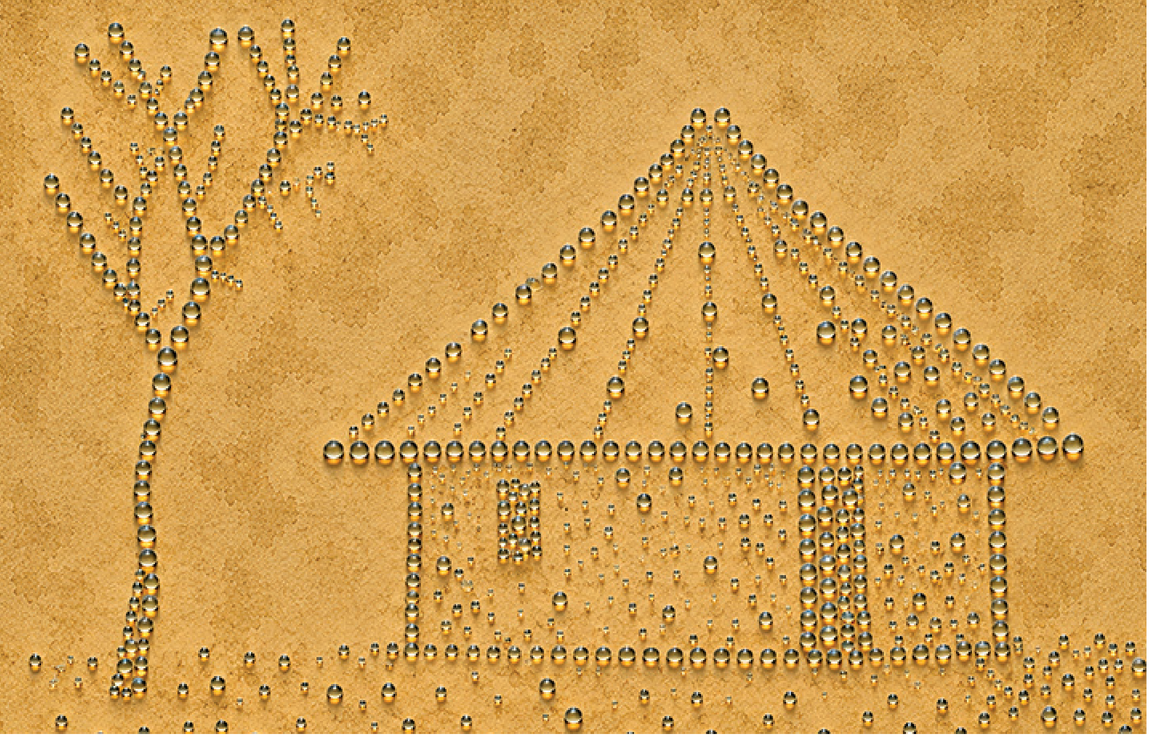
A lasting advantage

Disney's ownership of its characters remains the source of its strength. Whether audiences choose cinemas, streaming, theme parks or products, Disney can continue earning from the same stories across multiple channels at little extra cost. Franchise fatigue and the decline of cable are real risks, but the breadth of Disney's library reduces its reliance on any single franchise or distribution channel. As audiences embrace new ways to engage with content, we believe Disney will continue to extract greater value from its content. Our global fund clients hold Disney as we believe its share price vastly undervalues its strong prospects. UP

Disney group revenue* mix



*Segment revenue before eliminations
Note: Franchises shown on timeline indicate year acquired by Disney
Source: Disney company reports, Camissa Asset Management estimates



Optasia: powering digital credit in Africa

Aslam Dalvi – Portfolio Manager

In Sub-Saharan Africa, only one in five adults have access to a conventional bank account, leaving much of the population outside the formal financial system. This creates a major challenge when short-term credit is needed. Optasia addresses this gap by providing the technology that assesses the creditworthiness of unbanked borrowers and connects them with telecom operators and lenders for credit.

Optasia: powering digital credit in Africa

We unpack how the company enables financial institutions across the continent, highlighting its competitive advantages, growth opportunities and recent investor concerns that have created a unique investment opportunity.

The infrastructure behind digital lending

Optasia is a fintech company at the centre of the digital lending ecosystem across Africa and parts of the Middle East and Asia. The company reaches more than 400 million users across 38 countries and processes over a billion credit applications annually. While consumers see the trusted brands of telecom operators like MTN or Vodacom when they borrow, Optasia powers the lending processes behind the scenes - as *shown below*.

The telecom partner provides customer access, wallet infrastructure, KYC[1] data and distribution, while financial institutions provide the lending capital. Optasia contributes the technology, credit underwriting models, analytics and operational capabilities that enable digital lending.

Customers access the service directly from their mobile phones, requesting loans through SMS, USSD menus[2], mobile apps or wallet interfaces. This is very accessible and convenient to use: a user dials a short code and requests a small advance, the loan is approved and the customer receives airtime or funds in a mobile wallet within seconds, allowing them to use mobile services or transact almost immediately.

Customers repay outstanding loan balances at any one of thousands of easily accessible informal mobile money agents. The mobile network operator partners provide Optasia with massive existing client bases and decentralised access to them, while the use of smart technology creates a scalable platform with low incremental costs. This makes small-ticket, short-term lending commercially viable in a way traditional banking cannot match.

Competition in this microcredit market in Africa is currently limited, with Optasia and Jumo the main players. Optasia benefits from significantly greater scale given its wider geographic footprint, more diversified partner base and an estimated disbursed loan value around three times that of Jumo. Optasia asserts that their credit scoring capabilities are unmatched.

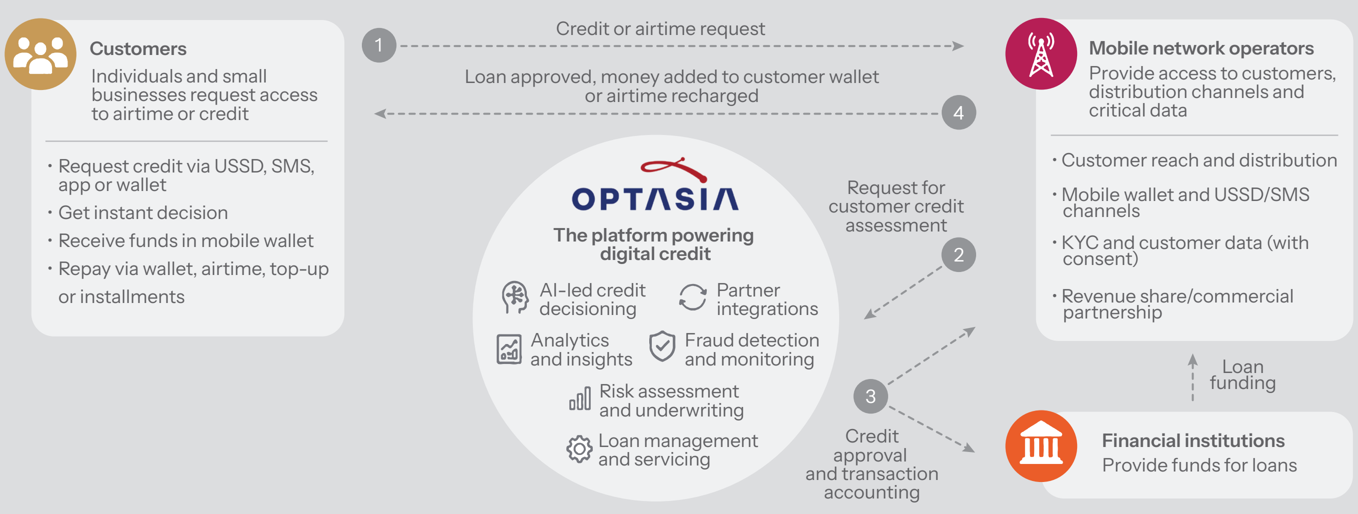
A high return model

As *charted on the next page*, the company has delivered strong revenue and profit growth over the past few years,

[1] Know Your Customer: identity verification and customer information that financial institutions and regulated service providers collect to comply with anti-money laundering and financial crime regulations.

[2] Unstructured Supplementary Service Data menus are interactive text-based menus that let users access services on a mobile phone by dialling a short code.

How Optasia connects the ecosystem



Source: Optasia, Camissa Asset Management driven primarily by two products: airtime credit and microcredit solutions.

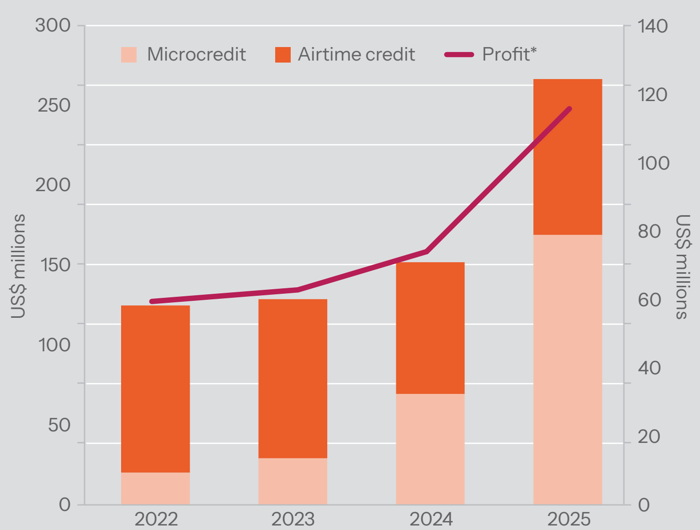
Airtime credit is the older and more established business. It provides very small airtime advances (US$0.25 on average per transaction) when users run out before their next recharge. Repayment occurs automatically when the customer next buys airtime.

Microcredit is the newer and faster-growing business, representing the company's largest expansion opportunity. These loans average around US$5, with repayment periods of approximately one month. The segment has scaled rapidly, delivering annual revenue growth of more than 100% over the past three years, yet remains in its infancy, having launched only five years ago.

As loan durations are short, Optasia receives repayment feedback quickly and can continually recalibrate lending decisions. If credit conditions deteriorate in a market, the company can rapidly tighten approvals or reduce loan sizes. If conditions improve, it can increase lending just as quickly. This dynamism substantially reduces the risk of large losses related to default or unforeseen credit events and has seen Optasia maintain a default rate of around 1% of disbursed value.

The business model is capital efficient due to the small loan sizes and short repayment periods, which allows capital to be recycled several times a year. This high capital velocity enables the company to serve millions of customers while generating material returns on capital.

Optasia's financial performance



*Company earnings before interest, tax and depreciation
Source: Optasia, Camissa Asset Management estimates

Why Optasia has an edge

Optasia's competitive advantage rests on three reinforcing strengths: proprietary data, sophisticated underwriting models and scale.

Traditional credit bureaus often have little or no usable data on the customers Optasia services as most of these borrowers are informally employed and lack established credit histories. Instead, the company draws on data obtained via its telecom partners and other alternative sources, using machine-learning models that assess credit risk in real time.

The platform analyses unique behavioural signals from the end customer, such as: location data, the types of transactions made, the creditworthiness of the people paid, calling patterns and the frequency of SIM card or mobile phone changes. These data points, among many others, may appear unconventional, but taken together and processed by sophisticated AI models, they reveal patterns strongly correlated with repayment behaviour.

Optasia has access to one of the deepest alternative-credit datasets in developing countries, including the vast amount of customer and repayment data accumulated over the past decade. The business is continually refining and improving its credit models and thereby its underwriting accuracy. This creates a powerful feedback loop: more loans generate more repayment data, which improves model and credit scoring accuracy, allowing the company to further grow the number and size of loans.

A substantial growth runway

While airtime credit revenue growth is likely to moderate going forward, the opportunity in microcredit solutions is significant due to favourable demographics, rising incomes causing greater demand for credit, increasing mobile penetration and growing mobile wallet adoption.

We estimate that the size of Optasia's addressable customer opportunity across its existing markets will nearly double over the next five years, as mobile subscribers grow, mobile wallet penetration rises and existing wallet users make more use of the service – *indicated on the next page*.

The launch of services into new markets and through new mobile network partners provides substantial additional

Optasia: powering digital credit in Africa

growth opportunities. The company has a pipeline of over 30 new country deployments, representing a future revenue opportunity comparable to its current revenue base.

As income levels rise and Optasia gains deeper insights into customer behaviour, there is also an opportunity to increase average loan sizes. Additionally, product expansion offers another growth lever as Optasia's infrastructure could support adjacent product offerings such as overdrafts, merchant financing, buy-now-pay-later services and even financing for utilities (eg prepaid electricity).

Concerns clouding the outlook

Digital credit regulation across many developing countries is relatively immature and likely to evolve as the credit industry formalises. Future policy changes could compel the introduction of competitors, cap lending rates, tighten compliance requirements or increase operating costs. While stricter regulation may weigh on future industry profitability and perhaps dampen potential growth, it could also raise barriers to entry, reinforcing the competitive position of established and profitable operators such as Optasia.

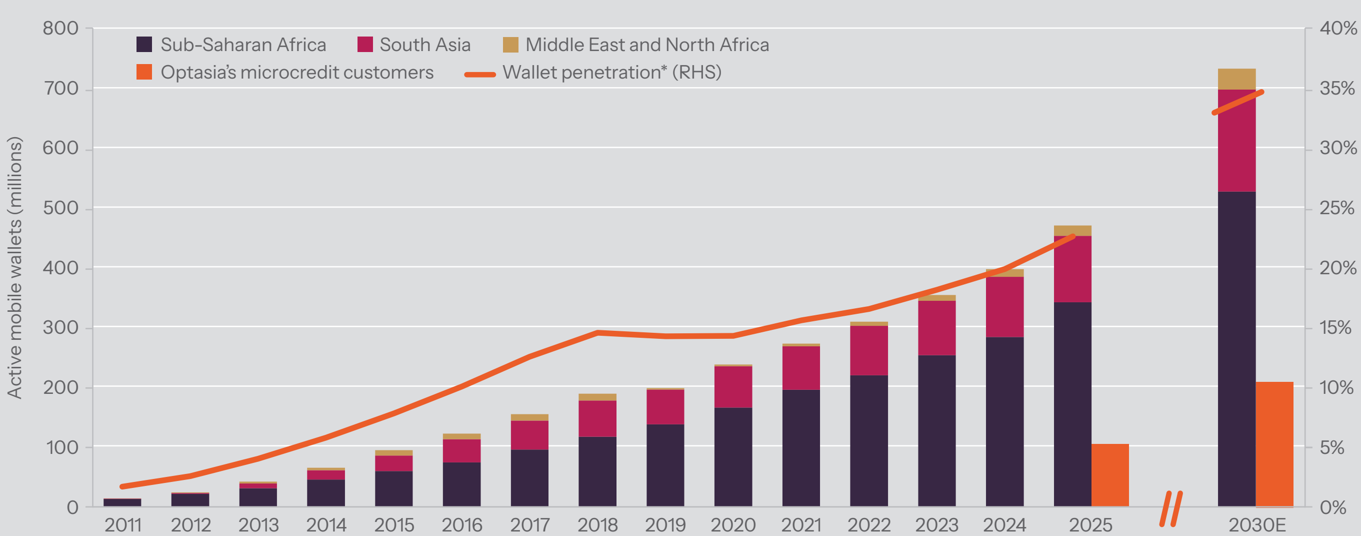
Another concern is Optasia's dependence on large telecom operators who control customer access and distribution. Over time, these partners may seek a greater share of the economics or attempt to bring parts of the lending process in-house. We expect such insourcing to be limited as, to date, Optasia's moats have proven very difficult to replicate.

A rare opportunity

Optasia has successfully built a differentiated digital credit lending platform that connects mobile operators, funding partners and customers. This has become a critical enabler of financial services in markets historically underserved by traditional banks. Its scale, proprietary underwriting models and low-cost distribution network create meaningful competitive advantages.

Despite regulatory uncertainty and reliance on telecom partners, Optasia operates in a large and rapidly expanding market. Structural tailwinds, including rising mobile wallet adoption, favourable demographics and growing demand for small-ticket digital credit, present a significant long-term growth runway. We believe Optasia's low share price presents a high expected return opportunity in a company with strong fundamentals, a differentiated competitive position and significant earnings potential. UP

Optasia's significant growth opportunity in microcredit solutions



*Number of mobile customers with an active digital wallet
Source: GSMA, Optasia, Camissa Asset Management estimates

Camissa Asset Management Funds

Performance to 30 June 2026	1 year	3 years[1]	5 years[1]	10 years[1]	15 years[1]	20 years[1]	Since launch[1]	Launch	TER[2] 1-year	TER[2] 3-year	TC[3] 1-year	TC[3] 3-year
Unit trust funds[4]												
Equity Alpha Fund	17.4%	18.1%	14.0%	12.1%	11.7%	12.4%	15.6%	Apr-04	2.09%	1.72%	0.33%	0.28%
SA Equity General funds mean	15.2%	14.3%	12.3%	8.4%	9.5%	9.7%	12.1%					
Outperformance	2.2%	3.8%	1.7%	3.7%	2.2%	2.7%	3.5%					
SA Equity Fund	17.6%	18.1%	-	-	-	-	14.0%	Sep-22	2.02%	1.70%	0.58%	0.43%
SA Equity SA General funds mean	16.2%	15.2%					14.5%					
Outperformance	1.4%	2.9%					-0.5%					
Global Equity Feeder Fund	-1.9%	7.0%	7.0%	-	-	-	7.9%	Nov-19	1.90%	1.86%	0.25%	0.25%
FTSE World Index (ZAR)	16.7%	15.6%	15.5%				16.0%					
Outperformance	-18.6%	-8.6%	-8.5%				-8.1%					
Balanced Fund	9.2%	14.1%	11.6%	10.3%	10.4%	-	10.1%	May-11	1.52%	1.51%	0.24%	0.23%
SA Multi Asset High Equity funds mean	12.3%	12.5%	10.9%	8.3%	9.3%		9.2%					
Outperformance	-3.1%	1.6%	0.7%	2.0%	1.1%		0.9%					
SA Balanced Fund	18.0%	-	-	-	-	-	17.3%	Aug-23	1.46%	1.82%	0.34%	0.56%
SA Multi Asset SA High Equity funds mean	18.4%						15.2%					
Outperformance	-0.4%						2.1%					
Protector Fund	11.3%	15.1%	11.8%	10.5%	9.2%	-	10.3%	Dec-02	1.51%	1.51%	0.17%	0.17%
CPI + 4%[5]	8.9%	8.3%	9.1%	8.8%	9.5%		9.9%					
Outperformance	2.4%	6.8%	2.7%	1.7%	-0.3%		0.4%					
Stable Fund	11.9%	16.6%	13.2%	10.5%	10.1%	-	9.8%	May-11	1.02%	1.01%	0.25%	0.21%
CPI + 2%[5]	7.0%	6.3%	7.2%	6.7%	6.3%		6.2%					
Outperformance	4.9%	10.3%	6.0%	3.8%	3.8%		3.6%					
Institutional funds[6]												
Managed Equity Fund	20.6%	20.3%	15.5%	12.4%	11.9%	-	12.6%	Sep-06				
FTSE/JSE Capped SWIX Index	19.4%	17.8%	14.7%	9.9%	11.8%		11.8%					
Outperformance	1.2%	2.5%	0.8%	2.5%	0.1%		0.8%					
Domestic Balanced Fund[7]	20.0%	20.3%	15.4%	12.5%	11.2%	-	10.6%	May-07				
Peer median[8]	18.4%	16.8%	13.9%	9.9%	10.6%		10.1%					
Outperformance	1.6%	3.5%	1.5%	2.6%	0.6%		0.5%					
Global Balanced Fund[9]	10.6%	15.6%	13.1%	11.9%	-	-	11.4%	Jul-13				
Peer median[10]	14.1%	14.3%	12.7%	9.9%			10.5%					
Outperformance	-3.5%	1.3%	0.4%	2.0%			0.9%					
Bond Fund	20.3%	19.3%	13.3%	11.7%	-	-	9.9%	Aug-15				
BESA All Bond Index	21.5%	17.8%	12.4%	10.8%			9.4%					
Outperformance	-1.2%	1.5%	0.9%	0.9%			0.5%					
Money Market Fund	9.0%	9.6%	8.7%	8.2%	7.6%	-	7.9%	Jan-04				
Alexander Forbes STeFI Composite Index	7.2%	7.9%	6.9%	6.8%	6.5%		7.1%					
Outperformance	1.8%	1.7%	1.8%	1.4%	1.1%		0.8%					
Shariah unit trust funds[4]												
Islamic Equity Fund	28.8%	15.9%	12.1%	11.2%	10.2%	-	11.6%	Jul-09	1.50%	1.49%	0.18%	0.18%
SA Equity General funds mean	15.2%	14.3%	12.3%	8.4%	9.5%		10.7%					
Outperformance	13.6%	1.6%	-0.2%	2.8%	0.7%		0.9%					
Islamic Global Equity Feeder Fund	17.2%	8.1%	8.4%	-	-	-	9.7%	Jan-19	1.79%	1.80%	0.12%	0.12%
Global Equity General funds mean	5.4%	10.4%	9.7%				13.3%					
Outperformance	11.8%	-2.3%	-1.3%				-3.6%					
Islamic Balanced Fund	20.4%	12.2%	10.1%	9.5%	8.9%	-	8.7%	May-11	1.50%	1.49%	0.17%	0.15%
SA Multi Asset High Equity funds mean	12.3%	12.5%	10.9%	8.3%	9.3%		9.2%					
Outperformance	8.1%	-0.3%	-0.8%	1.2%	-0.4%		-0.5%					
Islamic High Yield Fund	13.4%	12.2%	9.7%	-	-	-	9.0%	Mar-19	0.58%	0.58%	0.03%	0.02%
Short-term Fixed Interest Index (STeFI)	7.2%	7.8%	6.9%				2.8%					
Outperformance	6.2%	4.4%	2.8%				6.2%					

Highest and lowest monthly fund performance	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low
Equity Alpha Fund	2.2%	-6.3%	3.8%	-6.3%	11.7%	-6.3%	12.6%	-21.6%	12.6%	-21.6%	12.6%	-21.6%	12.6%	-21.6%
SA Equity Fund	7.4%	-5.9%	9.9%	-5.9%	-	-	-	-	-	-	-	-	11.4%	-5.9%
Global Equity Feeder Fund	4.0%	-7.2%	12.7%	-7.5%	14.5%	-8.2%	-	-	-	-	-	-	18.1%	-15.6%
Balanced Fund	3.0%	-4.9%	9.5%	-4.9%	9.5%	-4.9%	9.5%	-15.7%	-	-	-	-	9.5%	-15.7%
SA Balanced Fund	6.3%	-5.2%	-	-	-	-	-	-	-	-	-	-	8.8%	-5.2%
Protector Fund	2.5%	-3.6%	7.6%	-3.6%	7.6%	-3.7%	7.6%	-13.9%	7.6%	-13.9%	-	-	9.5%	-13.9%
Stable Fund	2.4%	-3.0%	7.1%	-3.0%	7.1%	-4.4%	7.1%	-11.4%	7.1%	-11.4%	-	-	7.1%	-11.4%
Islamic Equity Fund	5.2%	-3.2%	7.4%	-5.7%	7.4%	-8.9%	9.6%	-14.3%	9.6%	-14.3%	-	-	9.6%	-14.3%
Islamic Global Equity Feeder Fund	4.0%	-3.2%	8.8%	-7.8%	10.6%	-7.8%	-	-	-	-	-	-	14.6%	-8.4%
Islamic Balanced Fund	3.4%	-2.0%	5.3%	-4.1%	5.3%	-6.2%	8.0%	-9.3%	8.2%	-9.3%	-	-	8.2%	-9.3%
Islamic High Yield Fund	1.5%	-0.2%	1.9%	-0.4%	1.9%	-1.2%	-	-	-	-	-	-	2.7%	-2.4%

Footnotes and disclaimer follow overleaf.

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Footnote: [1]Annualised (ie the average annual return over the given time period); [2]TER (total expense ratio) = % of average NAV of portfolio incurred as charges, levies and fees in the management of the portfolio for rolling one and three-year periods to 30 June 2026. [3]Transaction costs (TC) are unavoidable costs incurred in administering the financial products offered by Camissa Collective Investments and impact financial product returns. It 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. This is also calculated on rolling one and three-year periods to 30 June 2026.[4]Source: Morningstar; net of all costs incurred within the fund and measured using NAV prices with income distributions reinvested; [5]CPI for June is an estimate; [6]Source: Camissa Asset Management; gross of management fees; [7]Domestic Balanced Fund benchmark returns are an estimate for June; [8]Median return of Alexander Forbes SA Manager Watch: BIV Survey; [9]Global Balanced Fund benchmark returns are an estimate for December; [10]Median return of Alexander Forbes Global Large Manager Watch.