PPS Balanced Passive Fund

As of 30 June 2026

FUND OBJECTIVE

The fund is a South African Multi Asset High Equity fund that may invest in a combination of listed and unlisted financial instruments in the local and global equity, bond, money, and property markets with the primary objective of the fund to consistently deliver a return which is in line with the composite target. The manager shall adopt a largely passive approach in the management of the fund. This fund is managed according to Regulation 28 of the Pension Funds Act and therefore is a suitable standalone vehicle for retirement savings.

FUND OVERVIEW

Fund risk profile

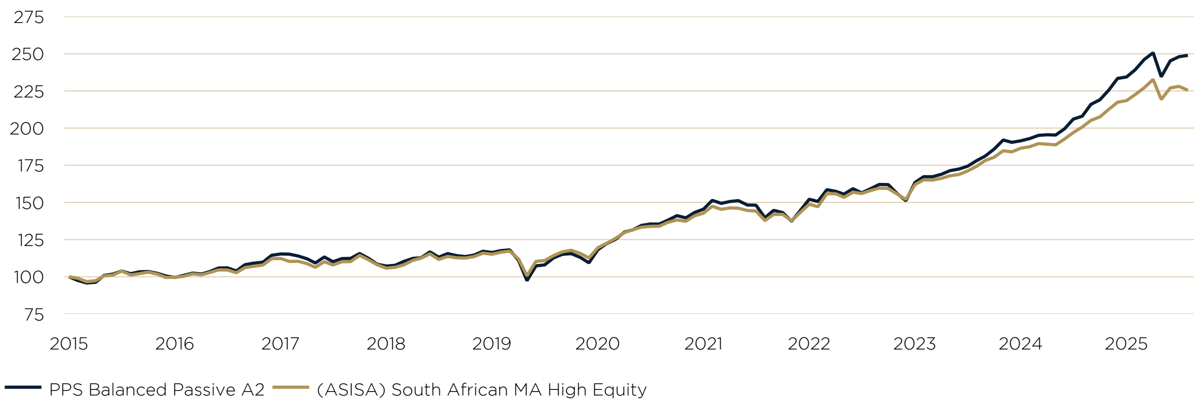
Medium-High

Fund Class	**ISIN**
A2	ZAE000191151
Asisa Category	**Portfolio Size (ZAR)**
(ASISA) South African MA High Equity	2,072,674,841.01
Portfolio Launch Date	**NAV Price Per Unit (cents)**
01 November 2015	183.13
Class Launch Date	**Manager Fee (excl.VAT)**
01 November 2015	0.40%
Benchmark	**Other Fees**
(ASISA) South African MA High Equity	Initial Fees, Advisor Fees = 0
Regulation 28	**Trustee**
Yes	Standard Chartered Bank
Income Distribution	**Partner Manager**
Last day of Dec	Prescient Investment Management
Investment Horizon	**Investment Manager**
Long-term - seven years and longer	PPS Multi-Managers Proprietary Limited

ILLUSTRATIVE PERFORMANCE

Performance Since Inception

Estimated Growth of R100 invested with all distributions reinvested (for illustrative purposes only).



Performance is shown net of all fees,

ANNUALISED PERFORMANCE

	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception
PPS Balanced Passive A2	19.69%	16.06%	12.94%	11.58%	9.33%	8.93 %
(ASISA) South African MA High Equity	12.32%	12.58%	10.96%	10.27%	8.34%	7.92 %

	YTD*	2025	2024	2023	2022	2021
PPS Balanced Passive A2	4.06%	24.00%	15.31%	11.06%	-0.51%	23.82%
(ASISA) South African MA High Equity	1.29%	18.75%	13.46%	12.25%	-0.17%	20.32%

Periods less than one year are not annualised.

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INVESTMENTS

ASSET ALLOCATION

■	SA Equity	36.0%
■	Developed Market Equities	18.9%
■	Emerging Market Equities	14.8%
■	SA Nominal Bonds	10.3%
■	SA Inflation-Linked Bonds	7.6%
■	SA Property	5.4%
■	Developed Market Property	4.7%
■	SA Cash	2.3%

Cash comprises money market and other interest-bearing instruments with a maturity of 13 months or less.

Asset allocation is calculated on Effective Exposure.

PORTFOLIO DETAILS

Top 10 Holdings	Allocation
Ishares Global Reit ETF	4.6%
Taiwan Semiconductor MFG	3.9%
Naspers	3.1%
Firstrand Limited	2.5%
Gold Fields	2.5%
Anglogold Ashanti Plc	2.2%
Capitec Bank Hldgs Ltd	2.2%
MTN Group	2.1%
SK HYNIX	2.0%
NVIDIA	1.9%

RISK METRICS

Since Inception

Metric	Fund Class
Standard Deviation	9.9
Maximum Drawdown	-18.31%

HIGHEST AND LOWEST RETURNS

Since Inception (12 months rolling)

Metric	Fund Class
Highest	35.11%
Highest month end date	31 Mar 2021
Lowest	-13.65%
Lowest month end date	31 Mar 2020

3 YEAR FEE (%)

Inclusive of VAT

Metric	Fund Class
Total expense ratio (TER)	0.49
Transaction cost (TC)	0.05
Total investment charge (TER+TC)	**0.54**

DISTRIBUTIONS

Date	Fund Class
31 December 2025	3.71

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INVESTMENTS

Fund Commentary

This passive fund aims to provide cost-efficient performance in line with that of the composite target asset allocation, which itself is made up of South African (SA) and foreign equities (both developed and emerging), SA and offshore property, SA Bonds (both nominal and inflation-linked) and SA cash.

The Iran war, which began on 28 February, continued to dominate markets, with the closure of the Strait of Hormuz pushing Brent crude above $100 a barrel in early Q2, before a US-Iran memorandum of understanding on 17 June brought prices back to near pre-war levels around $70. That de-escalation proved incomplete, with fresh strikes in late June a reminder the truce remains fragile heading into Q3.

On the local credit front, Fitch upgraded South Africa's sovereign rating to BB from BB- on 5 June, its first upgrade of the country in around 21 years. Coming just seven months after S&P's own upgrade, two of the three major agencies have now moved in South Africa's favour within a year, some welcome local news in a quarter otherwise dominated by global shocks.

South African equities declined over the quarter, with the Capped All Share Index down 2.4% (-3.0% year to date), as resource and precious metals counters weighed heavily following sharp pullbacks in gold and platinum from their 2025 highs. Basic Materials alone cost the index 6.6 percentage points, while Financials did the heavy lifting, with banks adding 2.4 percentage points as a sector. Listed property also had a strong quarter, returning 10.0%. Notably, Naspers/Prosus, last year's biggest single detractor, stabilised as the drag from its Tencent exposure eased. Tencent's roughly 30% decline over the past year reflects a broader pattern of markets splitting into AI winners and losers, with Chinese consumer internet platforms on the losing side. The broader market remains meaningfully below February's record high.

The All Bond Index returned 7.9% for the quarter (4.2% year to date) as long yields drifted lower on improving risk sentiment and the oil price retreat, a rally notable given the SARB's May hike, which the market read as credibility-enhancing rather than the start of a cycle. Inflation-linked bonds returned 6.5% for the quarter but remain the stronger performer year to date at 5.3%. The rand weakened 4.3% over the quarter (-1.1% year to date) to around R16.20, with Fed-driven dollar strength outweighing a credible SARB and an improving credit story.

Developed equities, as measured by the MSCI World Select Index, rallied 15.6% in dollar terms over the quarter, taking year-to-date returns to 9.8%. Technology dominated the move, contributing roughly 70% of the quarter's return, but the leadership was narrower and more hardware-led than the broad "mega-cap AI" narrative suggests. Memory and semiconductor stocks such as Micron, SK Hynix, AMD, Intel and Applied Materials were among the standout contributors, while NVIDIA was a more modest gainer within its own sector. This points to a rotation within the AI theme, away from the most visible platform names and towards the hardware and supply-chain beneficiaries of the buildout. The global equity rally was also not purely a US story. In emerging markets, a handful of Asian technology and semiconductor names now account for roughly a third of the index by weight and continue to trade at a discount to their US peers despite comparable earnings growth. The MSCI EM Select Index returned 13.5% in dollar terms, or 8.7% in rands. At the same time, investors became more selective about which parts of the AI value chain are monetising the buildout, with Microsoft the single largest detractor across the developed index. Energy was the only negative sector as oil prices round-tripped over the quarter. Global bonds had a more difficult period as yields rose, while global property delivered a more modest return (5.1% in dollar terms for the quarter).

Against this backdrop, PPS Balanced Passive outperformed its peer-group benchmark for the quarter (6.15% vs 3.01%). The fund's overweight towards local property and emerging market equities were the main contributors to outperformance. This fund remains competitive longer-term, outperforming the benchmark over 1, 2, 3, 5, 7 and 10 Years.

There were no material changes to the composition of the portfolio and underlying managers during the quarter. The fund has adhered to its policy objective.

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As of 30 June 2026

INVESTMENTS

CONTACT US

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DISCLOSURE

Collective Investment Schemes in Securities (CIS) are generally medium-to long-term investments. The value of participatory interests (units) may go down as well as up, and past performance is not necessarily a guide to future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending. The manager does not provide any guarantee either in respect of the capital or the return of a portfolio.
These performance figures are for lump sum investments with income distributions reinvested on the ex-dividend date. All PPS Multi-Managers performance figures and values are quoted after the deduction of costs and applicable taxes incurred within the Fund. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of the reinvestment of income and dividend withholding tax. The reinvestment of income is calculated based on actual distributed amount and factors such as payment date and reinvestment date will be considered. Please note that performance over periods greater than one year is annualised. Annualised performance is the average return earned on an investment each year over a given time period. Performance is based on NAV to NAV calculations and calculated on a rolling monthly basis. The past performance is relevant to the investment or the service offered by the manager. Actual annual figures are available to the investor on request. It may also be subject to currency risk, which means the underlying investments of the fund could depreciate or appreciate against the reporting currency of the investor. Because these securities are listed on other exchanges, it may be subject to the relevant regulatory authority, and thus the tax implications and legislative changes of that particular entity. There may also be delays in realizing investments, due to system or liquidity issues experienced by the respective exchange. Furthermore, market and investment values are subject to fluctuations, and the availability of market information may be limited. Overall, please be advised that, as indicated by the risk profile and potentially influenced by asset allocation, risks may be associated with this fund such as general market risk, company risk, credit risk, counterparty risk and third party operational risk.
Unit Trust prices are calculated on a Net Asset Value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses from the Fund divided by the number of units in issue. Transactions must be received by the Management Company (MANCO) by 2pm to receive the net asset value price for that day. Transaction requests received after this cut off time will only be processed on the next business day, and will receive the price of that day. Linked Investment Service Providers (LISP), specify their own transaction timelines and may take up to five business days to process. Portfolio valuations occur at 3 p.m. on business days, except the last business day of the month, when it will be 5pm. Prices are published daily and is available on www.pps.co.za. A schedule of fees, charges and maximum commissions are available on request. This fund does not charge performance fees. The manager may close the portfolio to new investors to ensure the portfolio is managed according to its mandate. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge.
Total Expense Ratio (TER) is a measure that can be used by investors and advisers to determine how much of a CIS‡s underlying assets are relinquished as payment for services rendered in the administration of the CIS. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER‡s.
Transaction Costs (TC) is a measure that can be used by investors and advisors to determine the costs incurred in buying and selling assets underlying the CIS. TC‡s are a necessary cost in administering the CIS and impact CIS‡s 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 CIS, the investment decisions of the investment manager and the TER.
Total Investment Charges (TIC) is a measure of total cost relating to the investment. TIC is the sum of the total expense ratio (TER) and the transaction cost (TC).
TER‡s and TC‡s are expressed as a percentage of the daily net asset value of the CIS calculated over the past one year and three-year period on an annualised basis. The TER and TC disclosed are estimates based on our best estimate of the underlying costs.

Risk profile:
MEDIUM-HIGH RISK: A Medium-High Risk investor values higher long-term returns and is willing to accept considerable risk. This investor is comfortable with short-term fluctuations in exchange for seeking long-term appreciation. The Medium-High Risk investor is willing to endure larger short-term losses of capital in exchange for the potential of higher long-term returns. Liquidity is a secondary concern to a Medium-High Risk investor.

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Investment Manager Disclaimer
PPS Multi-Managers Proprietary Limited is an authorised Financial Service Provider (FSP 28733).
Appointed sub-investment manager: Prescient Investment Management (Pty) Ltd (FSP 612).