Truffle SCI SA Flexible Fund

Truffle Asset Management

Fund Information

MDD Issue Date	16/03/2026
Ticker	TSCFFA
ISIN	ZAE000333720
Portfolio Manager	Iain Power, Saul Miller, Etienne Roux
ASISA Fund Classification	South African - Multi Asset - Flexible
Risk Profile	Moderate Aggressive
Benchmark	CPI +5%
Fund Size	R 176,179,564
Portfolio Launch Date	12/04/2024
Minimum Lump Sum Investment	R 10,000
Minimum Monthly Investment	R 500
Income Declaration Date	June & December
Transaction Cut Off Time	15:00
Portfolio Valuation Time	15:00
Daily Price Information	Local media & www.sanlamunittrusts.co.za
Repurchase Period	2-3 business days
Base Currency	Rand

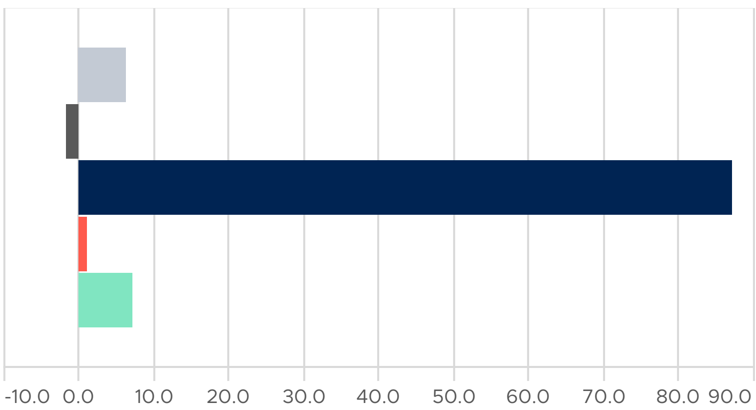
Fees (incl. VAT)

	A-Class (%)
Maximum Initial Advice Fee	1.15
Maximum Annual Advice Fee	1.15
Manager Annual Fee	1.04
Total Expense Ratio	1.69
Transaction Cost	0.85
Total Investment Charge	2.54
TER Measurement Period	12 April 2024 - 31 December 2025

Top 10 Holdings (31/12/2025)

	%
Prosus Nv	5.64
Firstrand Limited	5.34
Absa Group Limited	5.08
Standard Bank Group Limited	4.99
Anglogold Ashanti Limited	4.98
Naspers Limited	4.08
Glencore plc	3.85
Valterra Platinum Ltd	3.83
Gold Fields Limited	3.59
Capitec Bank Holdings Limited	3.52

Asset Allocation (28/02/2026)



	%
Domestic Cash	6.32
Domestic Equity Derivatives	-1.65
Domestic Equity	87.07
Domestic Fixed Income	1.11
Domestic Property	7.15
Total	**100.00**

Fund Objective

An unconstrained South African multi-asset fund that aims to deliver strong inflation beating returns over the long term through investing in a diverse range of South African assets.

Investment Policy Summary

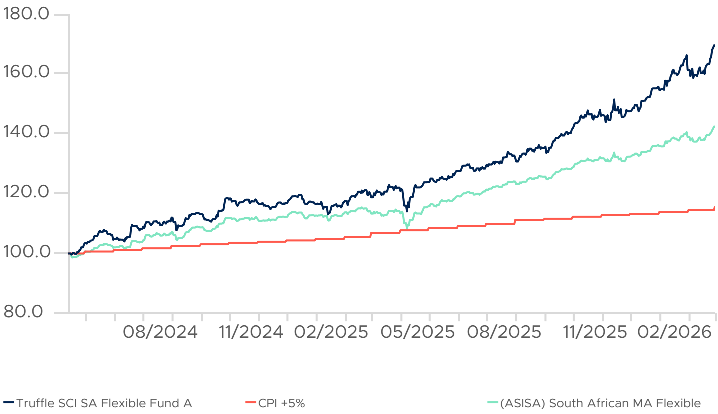
A South African multi-asset fund that invests in a wide range of asset classes including equities, bonds, property, cash, and money market instruments. The fund is not restricted to an industry or sector. The fund may also invest in other South African collective investment schemes. The fund is allowed to invest in derivative instruments for efficient portfolio management purposes.

Why Choose This Fund?

1. A well-diversified portfolio of local assets, where managers have full flexibility to implement ideas efficiently.
2. Risk is actively managed through skillful asset allocation and security selection across various asset classes, strategies, and regions.
3. A proven track record of selecting quality assets while focusing on long term capital growth.

Investment Growth***

Time Period: 13/04/2024 to 28/02/2026



Annualised Performance (%)**

	Fund	Benchmark
1 Year	42.77	8.26
3 Years	—	—
5 Years	—	—
Since Inception	32.42	8.08

Risk Statistics (3 Year Rolling)**

Standard Deviation	—
Sharpe Ratio	—
Max Drawdown	—
Information Ratio	—

Highest & Lowest Annual Returns**

Time Period: Since Inception to 31/12/2025

Highest Annual %	32.65
Lowest Annual %	32.65

Monthly Returns (%)**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2026	4.32	5.09											9.64
2025	0.84	1.02	1.77	2.56	2.87	1.45	1.91	2.58	4.85	3.09	0.91	4.84	32.65
2024	—	—	—	—	1.30	3.31	3.44	1.02	4.28	-1.03	0.14	-0.29	—

**These figures will become available once sufficient performance history has been met.

***The investment performance is for illustrative purposes only. The investment performance is calculated taking the actual initial fees and all ongoing fees into account for the amount shown and income is reinvested on the reinvestment date.

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Truffle Asset Management

Risk/Reward Profile

Moderate Aggressive

Your primary aim is to achieve the required capital growth necessary to realise your longterm goals and objectives. You are prepared to tolerate fluctuations in your returns because you know that the longer-term picture is worth the short term pain, even if that means you lose money sometimes. While diversified across all the major asset classes, your portfolio will be tilted more towards equities because you know they offer the best long-term returns of all the asset classes and thus your wealth will grow over time.

Additional Information

Distribution History (Cents per Unit)**

31/12/2025	18.94 cpu	—	—	—	—
30/06/2025	19.75 cpu	—	—	—	—

Tax Free Savings Account

This Fund qualifies as a tax free investment according to section 12T of the Income Tax Act, with effect from 1 March 2015. South African individuals qualify for the associated tax benefits namely no tax on dividends, income or capital gains whilst still enjoying all the benefits of a unit trust. Note contributions to tax free investments are limited to R36 000 per tax year, with a lifetime limit of R500 000. Amounts invested in excess of these permissible thresholds are taxable.

Investment Manager Information

Truffle Asset Management (Pty) Ltd
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Manager Information

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For a detailed glossary, please visit website:
www.sanlamunittrusts.com

Trustee Information

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Truffle
Asset Management

Portfolio Manager Comment

As at 31 December 2025

Economic Overview

The global economic environment continues to provide a favourable backdrop for risk assets as we move into 2026. High and expanding fiscal deficits across major economies, combined with accommodative monetary policy in key regions, support our expectation for solid growth over the coming year. While tariff implementations and geopolitical tensions have introduced headwinds, these have been largely offset by robust capital expenditure in artificial intelligence (AI) infrastructure and sustained equity market strength, which has bolstered consumption among higher-income households.

Earnings growth expectations in the low teens across major regions remain attractive. However, we note that the US market trades at a significant valuation premium relative to international peers, despite comparable earnings prospects. This premium, coupled with elevated risks around AI-related investment returns and potential dollar weakness, leads us to favour opportunities in non-US markets.

The shifting geopolitical landscape and persistent US fiscal deficits present headwinds for the dollar while supporting precious metals. This dynamic is particularly beneficial for South Africa given our commodity export base and the fiscal revenues generated from the mining sector.

United States: Strength with emerging risks

The US economy continues to display resilience, with expectations for 2026 GDP growth revised higher. Recent growth has been supported by strong consumption, improved trade dynamics, and sustained investment in AI-related infrastructure. Inflation has continued to moderate, while labour market conditions remain broadly healthy, albeit with unemployment drifting higher and wage growth easing.

Despite this supportive macro backdrop, affordability pressures are increasingly evident among lower-income households. Consumer confidence has softened, reflecting these pressures, even as spending among higher-income consumers remains firm. Easing inflation, moderating wage growth, lower shelter costs, and subdued energy prices should allow for further interest rate cuts.

Artificial Intelligence risks to the economy remain a concern. The scale of capital expenditure is unprecedented, yet visibility on long-term returns remains limited. In addition, elevated profitability among certain hardware providers may normalise at lower levels as competition intensifies, and balance-sheet interdependence via vendor financing among large technology firms creates risk of a domino effect. When combined with high US equity valuations, these risks reinforce our preference for diversification beyond the US market.

The dollar's long-term trajectory remains negative given its elevated purchasing power parity valuation, expected rate cuts, and ongoing large fiscal deficits. This environment should prove supportive for emerging market assets and commodities.

China: Manufacturing dominance persists

China continues to play a dominant role in global trade. The rerouting of exports through parts of south-east Asia, competitive pricing, and strong growth in technology-related exports have reinforced its manufacturing leadership. At the same time, China's "new economy" sectors, including AI, electric vehicles, batteries, biopharmaceuticals, and aerospace, are offsetting ongoing weakness in property and domestic consumption.

Weak domestic demand and excess capacity weigh on growth, while rising productivity and expanding high-value industries provide an offset, likely keeping GDP growth near the mid-4% range.

Europe: Cautiously edging forward

Europe's outlook remains modestly positive. Energy costs have normalised, unemployment remains low, and growth in several Southern European economies has been resilient. Prospects for fiscal support in Germany, a broadly accommodative stance from the European Central Bank, and a willingness to ease regulatory burdens provide incremental support, even as structural challenges persist.

Metal prices supported by structural supply and demand fundamentals

The outlook for metals remains favourable. Reduced confidence in the dollar's long-term dominance has prompted central banks to diversify reserves, increasing allocations to gold amid geopolitical uncertainty. While gold's pace of appreciation may slow, ongoing central-bank demand should remain a durable source of support in a multipolar world.
Platinum group metal prices have benefited from declining mine supply and policy shifts, extending the role of internal combustion engines. The EU has walked back its 2035 ban on new petrol and diesel vehicles.

Copper remains well supported by demand from both the energy transition and AI-related infrastructure while supply faces persistent constraints. Mine disruptions are running above normal levels, and the difficulties in developing new mines or expanding existing operations further constrain supply. Nearly half of global copper mines are over 20 years old, with ore grades having declined approximately 40% since 1991, driving costs higher and limiting supply response. The increasing global geopolitical tensions may encourage hoarding which adds further support to pricing.

South Africa: Positive momentum building

South Africa appears well positioned for a relatively strong year. Improved global conditions, firm precious-metal prices and subdued oil prices have supported favourable terms of trade, contributing to strength in the rand and domestic asset markets. Long-dated bond yields have declined to levels last seen several years ago, reflecting improved fiscal credibility and a supportive global backdrop.

Inflation has moderated, providing scope for a more accommodative domestic monetary stance should global conditions allow. Confidence has been further reinforced by clearer alignment between National Treasury and the SARB on inflation targeting, improving fiscal projections, South Africa's removal from the FATF grey list, and a sovereign credit-rating upgrade by S&P.

Fixed investment momentum is gradually improving. Traxtion announced a R3.4 billion investment to double its rail fleet, adding roughly 5% to national capacity. Additionally, a 25-year concession agreement was signed with International Container Terminal Services Inc to manage Durban Container Terminal Pier 2, increasing capacity by 40%. These developments enable Transnet to move more freight and improve exports, reduce its operational and financial stress, and open opportunities for additional private sector investment.

We anticipate GDP growth will exceed the 1.6% Bloomberg consensus estimate for 2026, supported by bumper agricultural crops and robust tourism. Sustaining recent asset price gains will require a continuation of this performance into 2027, alongside sustained fixed investment and improved service delivery. The outlook for most JSE sectors is positive going into 2026 and we currently favour domestic equity over cash and bonds.

Conclusion

While global conditions are currently supportive, particularly for commodity-linked economies, these tailwinds are cyclical. Over the longer term, South Africa's investment appeal will increasingly depend on institutional strength and policy execution.

Globally, given the concentration of market capitalisation in large-cap technology companies benefiting from the AI theme, any deterioration in the AI investment narrative could impact global markets materially. We have positioned our portfolios in opportunities that are mostly independent of this theme, in investments that should deliver attractive medium-term returns.

Portfolio Commentary

Performance

The last quarter of 2025 proved to be another strong period for South African assets. While SA property was the overall winner returning 16.3% (SAPY), SA equities and SA Bonds continued to post outsized gains of 8.1% (CAPI) and 9.0% (ALBI), respectively. Within local equities, commodity strength continued to boost performance from mining companies with SA Resources returning 10.3%. SA Financials at 18.4% and domestically focussed counters outperformed given a number of factors supporting the local economic backdrop.

South African bonds delivered strong returns in Q4 2025, supported by easing inflation, improving fiscal credibility. Government bond yields declined as markets priced in the start of a domestic easing cycle, while continued foreign inflows and high real yields underpinned both capital appreciation and carry returns.
Domestic equity contributed meaningfully to Q4 fund returns. A supportive economic backdrop boosted performance from financial counters over the last quarter with the sector benefitting from a downward revision to local interest-rate expectations driving a valuation re-rating, particularly for Financials and property counters. Resilient bank fundamentals including earnings outlook also benefitted the sector. A meaningful exposure to banks, the life insurance sector and property therefore contributed to quarter's performance.

Platinum stocks performed well in Q4 supported by firmer pricing, improving auto-catalyst demand expectations, tighter supply dynamics. The fund benefitted from exposure to PGMs and gold miners.

Exposure to Naspers and Prosus detracted from performance as Tencent pulled back from a strong outperformance in the previous quarters. Its fundamentals remain solid

Portfolio movements

Within the equity allocation, we continued to tilt the fund's positioning towards SA Inc, particularly SA Banks which we expect will continue to benefit from the local economic backdrop. We added to a position in FirstRand and ABSA given compelling valuations and strong dividend yields. We reduced a position in Capitec on valuation grounds.

We reduced some of the foreign exposed names, including Anheuser and Bidcorp, in favour of SA companies including PGM and gold miners.

The fund positioning at the start of 2026 reflects a preference for domestic equity and REITS over cash and local bonds.