

Performance Period	Fund Return	Sector Average	Asset & Sector Allocation	
1 Year	-9.2%	4.3%	Cash	1%
3 Years (annualised)	7.3%	11.4%	Equity	99%
5 Years (annualised)	6.7%	9.5%	Consumer Discretionary	22%
10 Years (annualised)	12.3%	11.1%	Financials	14%
Since Inception (annualised)	12.7%	11.3%	Health Care	9%
			Industrials	8%
			Technology	41%
			Telecommunications	4%

Inception date: September 2014, Performance is reported for the A Class net of fees in ZAR, Sector Average: Global Equity General

Top 5 Global Holdings		
Service Now Inc	USA	91%
Meta Platforms Inc	Europe	6%
Microsoft Corp	ASIA	3%
Arista Networks Inc		
Ulta Beauty Inc		

Portfolio Manager: Richard Pitt / Walter Jacobs
Commentary for the Quarter ended September 2026

Performance

Global equity markets had a mixed third quarter. Resilient corporate earnings, sustained AI investment and easing inflation expectations initially supported gains. However, markets reversed in September as energy prices rose amid the escalating US-Iran conflict and central banks resumed monetary tightening. After advancing more than 4% by mid-August, the MSCI World Index ended the quarter up a modest 1.5%. Global bonds also struggled as inflation expectations increased and central banks adopted a more restrictive policy stance. For the third quarter the Global Fund returned 3.25% in US\$ - more than double the MSCI World Index.

While investments in software companies have been challenging, over the last quarter there was a rebound in most of these businesses as the disruption risk from AI became more nuanced. We still believe that many software companies may indeed benefit from AI adoption. Nonetheless this continues to be a challenging environment for quality orientated investors. In ZAR the fund increased by 3.4% over the quarter. Since inception in September 2014, the fund has delivered 12.7% compound annual returns in ZAR and has outperformed the peer group over that period.

Global Macro

The third quarter of 2026 was marked by sharp divergence across asset classes. Resilient growth and sustained investment in AI infrastructure were offset by escalating geopolitical tensions, surging oil prices, and a hawkish shift by major central banks. In September, the Fed raised rates by 25 basis points - its first increase since 2023, joining a broader global tightening cycle. This policy shift, together with heavy government issuance and corporate borrowing to fund AI infrastructure and data centres, triggered a fixed-income sell-off and pushed sovereign yields to multi-year highs. The benchmark 10-year Treasury yield rose above 5.25%, its highest level in more than two decades. Japan led regional equity performance, gaining 3.8% as corporate reforms and buybacks remained supportive, while the UK and the S&P 500 both advanced by more than 2%. Europe fell 1.3%, reflecting its limited exposure to the AI infrastructure build-out and its sensitivity to the Iran conflict, which drove European gas prices above €70 per megawatt-hour in September. Energy was the strongest global equity sector by a wide margin, supported by tight supply and expanding margins.

By contrast, utilities, real estate, and consumer discretionary stocks came under pressure from higher input costs and rising discount rates. In the US, headline index gains masked weakness among smaller companies, with the Russell 2000 declining meaningfully. Large-cap technology leaders - Microsoft, Meta, Apple, and Nvidia - accounted for most of the market's advance, while the equal-weighted S&P 500 fell over the quarter. Cyberattacks by rogue OpenAI agents in July prompted a greater industry focus on security and renewed calls for safeguards around the pace of AI development. The implications for industry growth and investment will be important to monitor. Looking ahead to Q4, elevated yields, geopolitical uncertainty, and the approaching US midterm elections present a challenging backdrop, although resilient earnings and continued AI investment remain important supports for risk assets.

Portfolio Manager: Richard Pitt / Walter Jacobs
Commentary for the Quarter ended September 2026

Portfolio

The top contributors over the quarter were Microsoft (+37.72%), Salesforce (+46.77%) and Meta (+28.95%). Microsoft recorded its strongest quarterly performance since 1998, as the fastest quarterly growth in its Azure cloud business since early 2022 helped alleviate investors' concerns around its substantial capital expenditures. Following a challenging start to the year amid AI disruption fears, Salesforce's latest quarterly results coupled with its expanded partnership with Anthropic eased some of these concerns. Current remaining performance obligations beat estimates, while net new annual order value growth was at its strongest level in four years, and attrition rates were near record lows. The primary catalyst behind Meta's strong performance over the last few weeks has been the excitement around the release of its personal AI agent, Muse, with many investors viewing it as a tangible sign that its substantial AI investments are starting to pay off.

The top detractors over the quarter were KLA Corp (-35.29%), Deckers Outdoors (-21.18%) and Novo Nordisk (-19.54%). KLA Corp gave back some of its substantial first-half gains, which had been supported by robust demand for its semiconductor process control, inspection and metrology systems, as investors reassessed elevated valuations and the sustainability of the AI-driven rally. Despite reporting quarterly revenue and earnings ahead of expectations and raising its calendar year 2026 wafer fab equipment (WFE) forecast to the low \$150bn range, the results ultimately fell short of investors' lofty expectations. Nevertheless, the stock ended the quarter up more than 60% for the year. Deckers Outdoors came under pressure during the quarter as growth at its two leading brands, HOKA and UGG, moderated, while management warned that tariffs and rising freight costs would weigh on margins in the current quarter. Despite these near-term pressures, management raised its full-year profit guidance as it expects growth to accelerate in the second half of the year. After showing signs of recovery during the second quarter, Novo Nordisk was unable to sustain that momentum. Despite raising its full-year guidance in its latest results and outlining plans to launch more than five potential multi-blockbuster drugs by 2030, the drugmaker failed to reassure investors concerned about intensifying competition, pricing pressures and the strength of its pipeline.

Our approach

Our investment approach remains anchored in the belief that long-term returns are driven by companies capable of compounding real cash earnings over sustained periods. We seek businesses with high returns on invested capital and clear opportunities for reinvestment. While market conditions and styles may ebb and flow, our commitment to sound business sense and valuation discipline remains unchanged. As global markets adapt to shifting policy landscapes and technological innovation, we continue to focus on identifying quality growth opportunities at reasonable prices. We remain vigilant to risks, including policy uncertainty and geopolitical developments, but are optimistic about the prospects for long-term compounding from investing in high-quality companies.