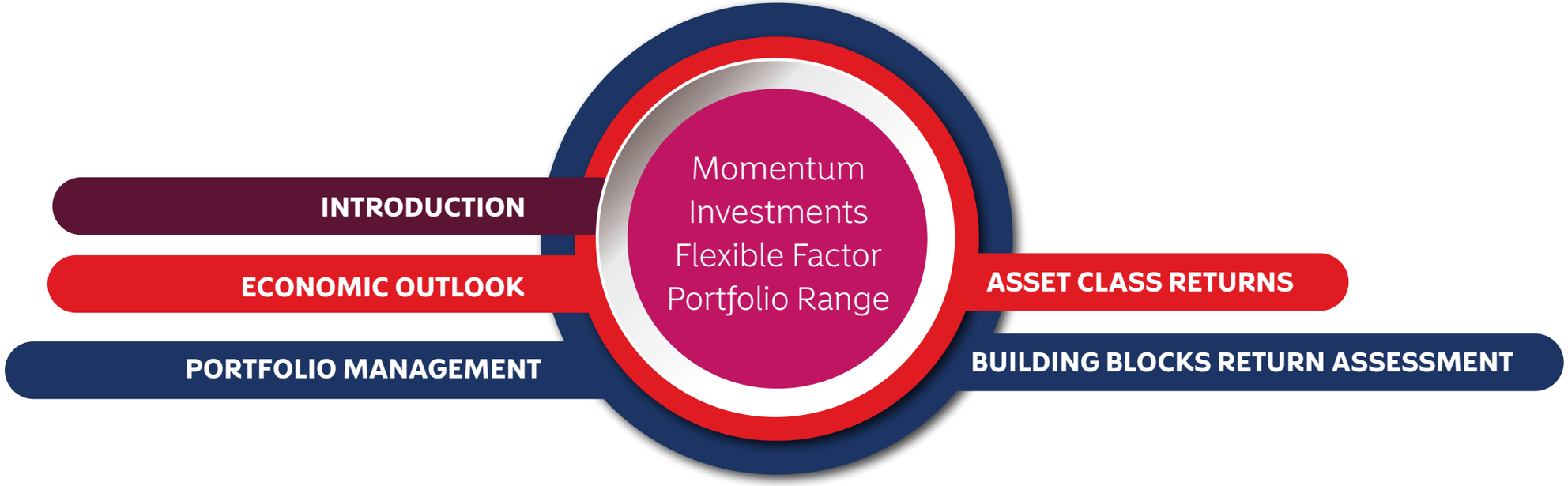
momentum
multi-manager

Q3 2026 Investment Report

Momentum Investments Flexible Factor Portfolio Range



Introduction

Assessing investment returns in an outcome-based investment context

The Momentum Investments Flexible Factor Portfolio Range is managed in terms of our outcome-based investing philosophy, where we design the portfolios to maximise the probability of achieving the inflation-plus return target of each portfolio over the relevant period, while continuing to meet the portfolios' risk targets. To achieve this, our portfolio management approach conceptually starts at an (multi) asset class level, then progresses to the identification of specific investment strategies within each asset class (if appropriate) and finally ends up in the selection of (potentially more than one) investment mandates awarded to investment managers that will implement the desired investment strategies.

Given this outcome-based investing framework, when assessing the returns of the Momentum Investments Classic Portfolio Range, it is important to start by looking at the returns from the portfolios against their inflation-related targets. This allows us to answer the question: did we achieve our target over the most recent relevant period?

We then assess these returns relative to this target in terms of the following:

- The returns provided by the asset classes included in the portfolios
- The returns from the building blocks that provide the asset class exposure for the portfolio against their asset class (or strategic) benchmark. This in turn is explained by:
  1. The returns from the investment strategies (or styles) used in the building block (if any)
  2. The returns from the investment managers that were awarded the mandates used in each of the building blocks

This quarterly review thus starts with the assessment of the investment returns generated by the portfolios against their targeted investment outcomes over the most recent periods. The next section focuses on the economic environment and the returns generated by the asset classes (beta) for the most recent quarter, measured against our average real return expectations for each asset class. We review the returns from the building blocks and the underlying investment managers against their strategic investment benchmarks.

INTRODUCTION
ECONOMIC OVERVIEW
ASSET CLASS RETURNS
PORTFOLIO MANAGEMENT
BUILDING BLOCKS RETURN ASSESSMENT
CONCLUSION



Economic overview

Q3 2026

INTRODUCTION
ECONOMIC OVERVIEW
ASSET CLASS RETURNS
PORTFOLIO MANAGEMENT
BUILDING BLOCKS RETURN ASSESSMENT
CONCLUSION

A sharp rebound in oil prices and higher agricultural commodity prices driven by an escalation in the United States (US)-Iran conflict reignited global inflation concerns. The combination of tighter monetary policy, elevated inflation projections, solid economic growth forecasts and concerns about fiscal sustainability resulted in negative global bond returns in the quarter. Rising bond yields also caused global listed property to deliver the weakest overall asset-class returns, reversing almost all the positive returns achieved in the second quarter. With indicators continuing to point to a robust global growth picture and reported profit numbers remaining strong, global equity returns outpaced all other global asset classes in the third quarter, with developed market (DM)equities sharply outperforming emerging market (EM) equities.

Within EM, semiconductor-heavy Korea produced significantly negative returns during the quarter after a phenomenal run in recent quarters, with returns still up by almost 100% year to date. Outside equities, cash was the only other global asset class to record positive returns during the quarter. Sharp increases in their underlying commodity prices propelled the platinum and gold exchange-traded funds (ETFs) to the highest returns among all asset classes in the third quarter, while also driving strong returns in the Resources subsector of the South African (SA) equity market.

However, negative returns from the Financials sector and, particularly, the Industrials sector pushed the overall SA equity market into slightly negative territory for the quarter.

Although SA bonds could not escape the downdraft from global bonds in the third quarter, the 49 basis points (bps) rise in local yields was smaller than the increases recorded in many DMs. Consequently, both SA nominal bonds and listed property posted smaller negative returns than their global counterparts. Rising local inflation expectations and higher policy rates meant that SA cash and inflation-linked bonds (ILBs) were the only SA asset classes outside the commodity ETFs to deliver positive returns in the third quarter.

Performance was flat to negative for the quarter. Absolute performance was impacted by the negative performance of local asset classes over the quarter. Overweight positions to global equity contributed to performance. During the quarter, we increased the global cash allocation as yields became more attractive.



Asset class returns
Q3 2026



Herman van Papendorp
Head: Asset allocation

INTRODUCTION
ECONOMIC OVERVIEW
ASSET CLASS RETURNS
PORTFOLIO MANAGEMENT
BUILDING BLOCKS RETURN ASSESSMENT
CONCLUSION

The returns for the asset class benchmarks for the third quarter of 2026 are reported in the first column of the table below. The next column highlights the returns for these asset classes for the previous year. These one-year returns are then converted into real returns by deducting inflation (4.4%) for the year. The final column in the table contains the returns above inflation we expect to get (on average) for these asset classes for a full market cycle.

Watch our Head of Asset Allocation, Herman van Papendorp, share his outlook on financial markets.



Asset class	Q3 2026 returns	Nominal returns for the previous 12 months	Real returns for previous 12 months*	Expected real return (p.a.)
Local equity (Capped SWIX)	-0.3%	5.6%	1.2%	6.3%
Local bonds (ALBI)	-0.7%	12.8%	8.5%	6.8%
Local listed property (SAPY)	-1.1%	20.2%	15.9%	7.3%
Local ILBs (ILBI)	1.4%	15.6%	11.3%	5.0%
Local cash (SteFI)	1.7%	7.0%	2.6%	1.8%
Global equity (MSCI ACWI)	1.7%	11.4%	7.0%	5.0%
Global bonds (WGBI)	-2.9%	-7.5%	-11.9%	1.8%
Global property	-5.8%	-1.8%	-6.2%	5.8%
US dollar/rand**	0.9%	-1.5%		
SA CPI*	**0.9%**	**4.4%**		

*CPI is lagged by 1 month
**A positive/negative value here reflects the effects of a depreciation/appreciation of the rand against the US dollar on global asset class returns in rand terms. As the rand gets weaker/stronger, the returns of global investments get better/worse from a local investor's perspective.



Portfolio management

Q3 2026

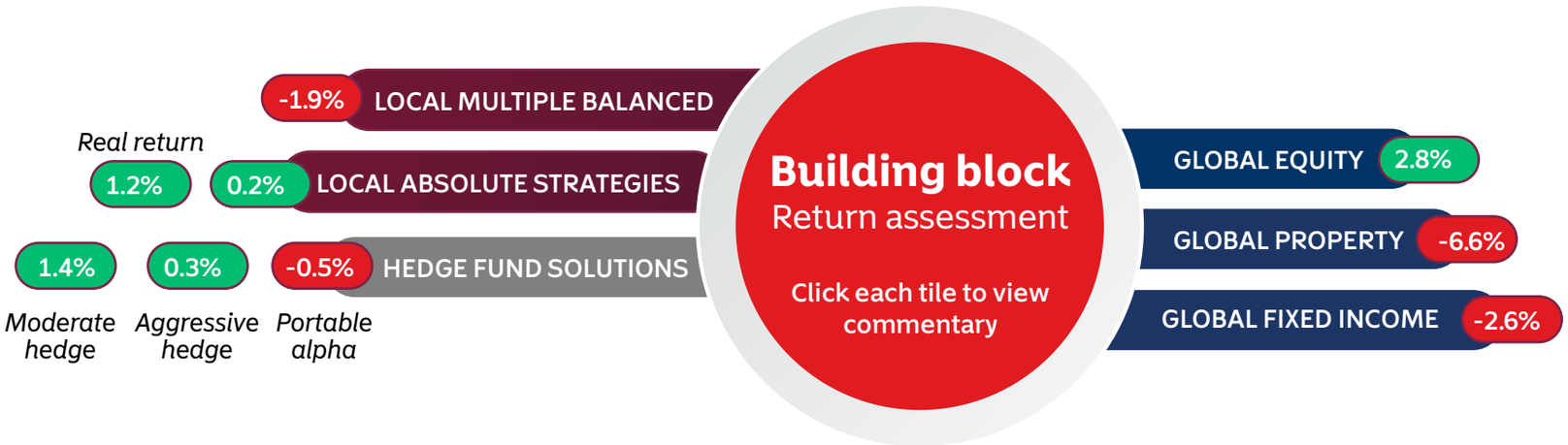


Mohammed Sibda
Portfolio manager

INTRODUCTION
ECONOMIC OVERVIEW
ASSET CLASS RETURNS
PORTFOLIO MANAGEMENT
BUILDING BLOCKS RETURN ASSESSMENT
CONCLUSION

No material changes were made during the last quarter apart from reducing global bond and global cash exposures in favour of both local bonds and property. The portfolios are positioned for further gains in risk assets (local and global equity and property) and local bonds.

As explained above, our outcome-based investment philosophy starts at the asset class level and then goes down to an investment strategy (if appropriate) and investment mandate level within each asset class. We thus construct building blocks that reflect our selected investment strategies and managers that were awarded the mandates to implement these to either improve on the returns of the asset class or manage its risk profile.





Building block Return assessment

Q3 2026 Commentary

Local multiple balanced building block

The third quarter of 2026 remained challenging for South African risk assets. Listed property, equities and bonds all delivered negative returns over the quarter, with only cash in positive territory. The Balanced Fund delivered a -1.9% return for the quarter.

Abax posted a -0.5% return. Pepkor and Sun International were key detractors for the quarter as higher interest rates and elevated oil prices are impacting South African consumers. Abax remains selective rather than abandoning the domestic consumer altogether, as they believe companies with pricing power, strong balance sheets, operating leverage and identifiable self-help opportunities should be better positioned to navigate a more competitive environment. Looking ahead, they expect markets to remain sensitive to developments in oil prices, US monetary policy expectations and global bond yields. Elections in the US and in South Africa could also add to market volatility.

Ninety One delivered a return of -2.1% for the quarter. Key contributors for the quarter included exposures to Diversified miners, precious metals stocks and cash. Detractors over the quarter were the allocation to local property, Naspers and Prosus, as well as MTN. During the quarter, Ninety One exited the position in Richemont after a strong run; they also rotated within mining and added to British American Tobacco.

Foord delivered a -3.1% return for the quarter. South African equities detracted, with SA Inc stocks coming under pressure as higher fuel prices and tighter monetary policy weighed on the outlook for household spending. Naspers/Prosus detracted, with both shares declining in September as Chinese equities gave back part of their July gains. The fund's preference for inflation-linked bonds protected capital as SA bonds tracked global bond markets, which weakened in July. Equity exposure was increased during the quarter. Other notable trades included reducing AngloGold Ashanti following a strong rally, while a small position in Gold Fields was added and the physical gold position was increased.

Coronation posted a -1.9% return for the period. There were no material changes to the portfolio; the preference is to tilt the portfolio towards high-quality businesses that are trading at attractive valuations. The portfolio remains underweight to Gold and Platinum given the manager's view on the opportunities within the rest of the market. The Strategy continues to hold sizeable positions in several South African banks and has an overweight position in Naspers/Prosus. There were no significant asset allocation movements during the quarter.

Local absolute strategies building block

The third quarter of 2026 remained challenging for South African risk assets. Listed property, equities and bonds all delivered negative returns over the quarter, with only cash in positive territory. The Portfolio, however, delivered a 0.2% return for the quarter.

INTRODUCTION
ECONOMIC OVERVIEW
ASSET CLASS RETURNS
PORTFOLIO MANAGEMENT
BUILDING BLOCKS RETURN ASSESSMENT
LOCAL MULTIPLE BALANCED
LOCAL ABSOLUTE STRATEGIES
HEDGE FUND SOLUTIONS
GLOBAL EQUITY
GLOBAL PROPERTY
GLOBAL FIXED INCOME
CONCLUSION

Building block Return assessment

Q3 2026 Commentary

MandG posted a negative return of -1.2% for the period. The broad sell-off across domestic asset classes detracted from fund returns over the quarter, with ILBs and cash aiding returns over the past one year. Positions in Naspers/Prosus and MTN detracted from returns during the quarter. Position changes were muted during the quarter, as market movements offered few compelling opportunities.

Laurium delivered a 0.2% return for the period. Overweight positions in resources such as AngloGold Ashanti, Impala Platinum and Anglo American were significant relative outperformers as gold rallied through the period, with investors seeking safe-haven exposure, amid constrained PGM supply and the expectation of structural deficits in the metals. Overweight positions in retailers Clicks and Mr Price, detracted as consumers remained under pressure given energy-driven inflation.

Sentio delivered a 0.4% return for the quarter. Within Domestic Equity, positive contributions included positions in Precious Metals (AngloGold Ashanti, Valterra, Goldfields, Harmony and Impala), Anglo American and Glencore, as well as Shoprite. Detractors included positions in MTN, Naspers and Prosus, as well as banks Capitec, FirstRand and Standard Bank, as well as Pepkor. In Property, positive contributors were positions in NEPI RockCastle, Vukile and Hyprop, while NEPI RockCastle detracted. The fund continued to reinvest in shorter-dated credit bonds and money market NCDs that offered compelling yield pickup.

The Real Return component, however, posted a 1.2% return for the quarter, as the defensive positioning of both managers was vindicated. Prescient delivered a 1.1% return for the period. The strategy is tilted towards high-yielding income assets given the attractive yields. The strategy also has an allocation to protected equity, which should benefit the Fund if equity markets rally from current levels. Abax delivered a 1.2% return during the period. This strategy too has the majority of its assets in high-yielding income assets. The Fund also holds Inflation-linked bonds within the bond component. The fund holds a 30% exposure in local equity; a portion of which is protected.

Hedge fund solutions building block

Portable Alpha strategy

The Portable Alpha strategy delivered a -0.5% return for the quarter. Equity-focused strategies were the primary detractors, particularly market-neutral and equity long/short strategies that employ high-frequency trading techniques. Local equities endured a difficult quarter, returning -0.3%. A rotation into resource and precious-metal shares provided support during August, but these gains were more than offset by weakness in September. Elevated interest rates and higher fuel prices continued to pressure consumers, domestic businesses, and SA Inc. counters. In addition, Naspers and Prosus remained under pressure as Tencent continued to de-rate, which also impacted the index futures used in the portfolio to access the broader equity exposure. Fixed income arbitrage strategies contributed positively to performance; however, the gains were insufficient to offset losses elsewhere in the portfolio, resulting in a negative overall return for the quarter.

INTRODUCTION
ECONOMIC OVERVIEW
ASSET CLASS RETURNS
PORTFOLIO MANAGEMENT
BUILDING BLOCKS RETURN ASSESSMENT
LOCAL MULTIPLE BALANCED
LOCAL ABSOLUTE STRATEGIES
HEDGE FUND SOLUTIONS
GLOBAL EQUITY
GLOBAL PROPERTY
GLOBAL FIXED INCOME
CONCLUSION

Building block Return assessment

Q3 2026 Commentary

Aggressive Hedge Fund

The Momentum Aggressive Hedge Fund delivered a positive return of 0.3% during the third quarter despite a challenging environment for South African equities. The fund's hedged equity approach helped mitigate a portion of the market weakness, resulting in an outperformance of the FTSE/JSE Capped All Share Index by approximately 60 basis points over the period. Performance was driven primarily by the fund's macro thematic and low-volatility equity long/short strategies, the latter employing a fundamentally driven, bottom-up stock selection process. At a sector level, the portfolio continued to benefit from exposure to technology platform companies, while positions in precious metals miners contributed positively as gold and platinum prices strengthened during August.

Moderate Hedge Fund

The Momentum Moderate Fund of Hedge Funds maintained its strong absolute return profile during the third quarter, delivering 1.4% and outperforming both equities and bonds, although it modestly lagged the STeFI (Cash) Composite Benchmark by 0.3%.

Performance was driven primarily by the fund's equity long/short and fixed income arbitrage allocations, with equity strategies making the largest contribution. Within the equity-centric strategy, the macro thematic and low-volatility equity long/short strategies were the strongest performers.

Global equity building block

Global Equity benefited from earnings upgrades across almost all markets, with particularly strong momentum in the US, Japan and AI-driven parts of EMs, mostly Korea and Taiwan. These upgrades were strong enough to offset rising rates. As a result, outside Korea, equity risk premia were not meaningfully raised. MSCI World markets returned +2.0%, while the S&P outperformed the MSCI World ex-US, with Japan matching the S&P performance in the quarter.

Emerging Markets and Frontier Markets each lost -0.2%. Within MSCI EM, the LatAm and EMEA regions gained 4.0% and 3.1% respectively in 3Q, while the Asian region posted a loss of -1.0%. The building block delivered a 2.8% return for the quarter, which was marginally ahead of the benchmark.

Global property building block

After a strong first half, global listed real estate hit turbulence in the third quarter. The GPR 250Index fell 5.8% in local currency, with September in particular losing 5.2%. Rising bond yields, stubborn "higher for longer" rate expectations and a fresh dose of geopolitical anxiety pushed investors to reprice the sector. Europe took the biggest hit, sliding 8.3%. The Americas followed at -6.2%, then Asia at -2.9% and Oceania at -2.7%. The best-performing sectors globally for the quarter in USD were Health Care, Industrial, and Hotels with total returns of -1.2%, -2.8% and -2.9%, respectively. The laggards for this quarter were Cold Storage (-13.7%), Gaming Net Lease (-12.2%) and Apartment (-11.4%). The building block delivered a -6.6% return for the quarter.

INTRODUCTION
ECONOMIC OVERVIEW
ASSET CLASS RETURNS
PORTFOLIO MANAGEMENT
BUILDING BLOCKS RETURN ASSESSMENT
LOCAL MULTIPLE BALANCED
LOCAL ABSOLUTE STRATEGIES
HEDGE FUND SOLUTIONS
GLOBAL EQUITY
GLOBAL PROPERTY
GLOBAL FIXED INCOME
CONCLUSION

Building block Return assessment

Q3 2026 Commentary

Global fixed income building block

Central banks shifted decisively towards tighter monetary policy as resilient economic activity gave policymakers scope to act. September's flash composite PMIs reached a five-year high in the US and a three-year high in the eurozone, reinforcing expectations of further rate rises and higher-for-longer borrowing costs. The US Federal Reserve raised the Federal Funds target range by 25 basis points to 3.75%-4.00%. The Fed signalled that further rate rises could follow. Elsewhere, the European Central Bank delivered a further rate hike in September, raising its deposit rate by 25 basis points to 2.50%, warning that inflation was likely to remain above target for an extended period. The Bank of Japan also tightened policy, lifting its rate to 1.25%. However, the Bank of England took a more cautious approach, holding at 3.75%. The recent oil price spike is merely one development pointing to the increasing difficulty which central banks face in meeting their inflation targets. Yields across Developed Nations rose to levels last seen before the GFC, with the US 10-year breaching the 5% level. European and Japanese bond markets were also weaker during the quarter. The building block delivered a return of -2.6% during the quarter.

Conclusion

Markets will continue to exhibit higher levels of volatility in the shorter term as a result of the US-Iran conflict and the implications of higher oil prices on global inflation and interest rate policy. Against this backdrop, portfolio construction remains disciplined and deliberate. We are ensuring that the portfolio remains well diversified and are cognisant of the need to be both flexible and nimble in this particular environment. We do, however, continue to hold slightly overweight positions in both local and global equity as valuations are still supportive of these asset classes.

INTRODUCTION
ECONOMIC OVERVIEW
ASSET CLASS RETURNS
PORTFOLIO MANAGEMENT
BUILDING BLOCKS RETURN ASSESSMENT
LOCAL MULTIPLE BALANCED
LOCAL ABSOLUTE STRATEGIES
HEDGE FUND SOLUTIONS
GLOBAL EQUITY
GLOBAL PROPERTY
GLOBAL FIXED INCOME
CONCLUSION

Disclaimer:

This presentation is applicable to the following authorised financial services providers in terms of the Financial Advisory and Intermediary Services Act, 2002 (FAIS): Momentum Asset Management (Pty) Ltd (FSP 623), Momentum Multi-Manager (Pty) Ltd (FSP 19840) and Momentum Alternative Investments (Pty) Ltd (FSP 34758). The investment policy is underwritten by Momentum Metropolitan Life Limited, which is a registered insurer under the Long-Term Insurance Act 52 of 1998. This investment portfolio is administered and managed by Momentum Multi-Manager (Pty) Ltd (FSP19840) or Momentum Asset Management (Pty) Ltd (FSP623), which are authorised financial services providers in terms of the Financial Advisory and Intermediary Services Act, 37 of 2002 (FAIS Act), as may be amended and/or replaced from time to time and a part of Momentum Group Limited, rated B-BBEE level 1. The information used to prepare this presentation includes information from third-party sources and is for information purposes only. This presentation does not constitute any form of advice and should not be used as a basis to make investment decisions or as an offer or a solicitation to purchase any specific product. Given that past returns may not be indicative of future returns and the value of investments will fluctuate over time, independent professional advice should always be sought before making an investment decision. Fluctuations in exchange rates may cause the value of international investments, if included in the mandate, to go up or down. Investors should be aware that investing in a financial product entails a level of risk that depends on the nature of the investment. The merits of any investment should be considered together with the investor's specific risk profile and investment objectives. Although reasonable steps have been taken to ensure the validity and accuracy of the information in this presentation, Momentum Group Limited does not guarantee the accuracy, content, completeness, legality or reliability of the information contained in this presentation and no warranties and/or representations of any kind, expressed or implied, are given to the nature, standard, accuracy or otherwise of the information provided nor to the suitability or otherwise of the information to your particular circumstances. Under no circumstances shall Momentum Group Limited, its affiliates, directors, officers, employees, representatives or agents (the Momentum Parties) have any liability to any persons or entities receiving the information made available in this presentation for any claim, damages, loss or expense, whether caused by Momentum Group Limited or the Momentum Parties' negligence or otherwise, including, without limitation, any direct, indirect, special, incidental, punitive or consequential cost, loss or damages, whether in contract or in delict, arising out of or in connection with information made available in this presentation, whether relating to any actions, transactions, omissions resulting from this information, or relating to any legal proceedings brought against you as a result of this information, and you agree to indemnify Momentum Group Limited and the Momentum Parties accordingly. For investments in collective investments schemes (CIS), please refer to the minimum disclosure document (MDD), which is available from the respective CIS manager. The MDD contains important information relating to investments in the respective CIS. The information contained in this presentation may not be used, published or redistributed without the prior written consent of Momentum Group Limited. Under no circumstances will Momentum Group Limited be liable for any cost, loss or damages arising out of the unauthorised dissemination of this presentation or the information contained herein, and you agree to indemnify Momentum Group Limited and the Momentum Parties accordingly. For further information, please visit us at momentum.co.za/business/investment-management.

If you need more information about our investment portfolio solutions, email us at emailus@momentum.co.za or go to momentum.co.za.

