

Fund fact sheet

Mergence Global CPI + 4% Fund

31 August 2026 - Issued: 22 September 2026



MERGENCE

OVERVIEW

Fund Purpose	Generate a real return above inflation whilst minimising risk over the medium term
Investment Style	Absolute Return
Benchmark	Headline Consumer Price Index + 4%
Investment Vehicle	Composite
Inception date	Jun-21
Number of Months	63
Fund Size	R 604.603 million
Minimum Investment	R100 million
Management Fee	Subject to mandate (usually between 0.50% and 1.00% p.a.)
Performance fees	Negotiable

INVESTOR PROFILE

The Fund is suitable for institutional investors:

- who believe that the risk of monetary loss is more important than the risk of underperforming the equity markets
- who seek a real return above inflation independent of the overall equity market returns
- who seek an investment solution with a strong focus on medium term capital preservation, while aiming to produce significant growth over the long term

INVESTMENT OBJECTIVE

The Fund is managed with the objective of producing a real return of CPI plus 4% per annum over the longer term while preserving capital over rolling 12-month periods. The inclusion of international assets broadens diversification and should enhance risk adjusted returns. It may underperform relative to overall equity markets due to its focus on capital preservation and long-term capital growth.

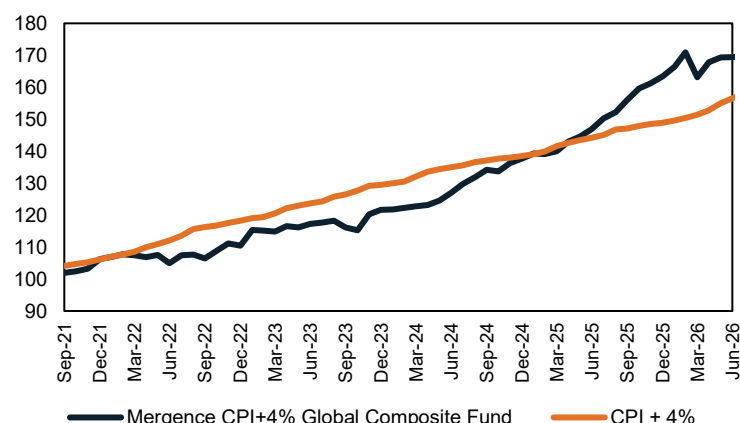
PERFORMANCE DETAILS

Period	Fund	CPI + 4%	ALBI	ALSI
1 Month	1.17%	0.51%	0.69%	4.65%
3 Months	1.31%	2.59%	0.79%	1.99%
6 Months	0.35%	5.74%	-0.20%	-7.41%
1 Year	12.74%	8.26%	16.55%	18.42%
3 Years (p.a.)	13.20%	8.11%	16.74%	20.04%
Since inception (p.a.)*	10.86%	9.02%	11.84%	15.10%

*Inception: June 2021

Year	Fund	CPI + 4%
2026 (TD)	4.97%	6.81%
2025	18.74%	7.49%
2024	13.18%	6.93%
2023	10.08%	9.52%
2022	3.97%	11.41%

PERIODIC RETURNS



INVESTMENT MANDATE

The Fund is managed with an absolute return orientation, and is structured to generate a return of 4% above inflation at a low level of risk. It is broadly diversified across asset classes including equities, listed property, conventional bonds and inflation-linked bonds, both domestically and internationally. The Fund employs active asset allocation and derivative hedging to manage and reduce downside risk.

RISK OF MONETARY LOSS

The recommended investment term for this Fund is 5 years or longer. While the return expectations should be set at periods over 5 years, the Fund has an objective not to lose money over any rolling 12-month period. As a result, declines over any 36-month period are unlikely. Note that while capital preservation is our intent, this is not a guaranteed fund.

RISK ANALYSIS

Risk Measure	Fund
Annualised Return	10.86%
Standard Deviation	5.08%
Sharpe Ratio	0.84
Sortino Ratio	1.00
Maximum Gain (1m)	4.41%
Maximum drawdown	-4.58%
Positive Months	77.78%
Highest rolling 1-year return	22.91%
Lowest rolling 1-year return	3.97%
Beta to JSE All Share	0.29
Correlation to JSE All Share	0.81

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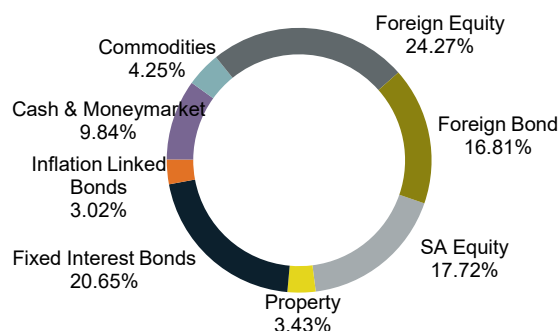
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FUND STRUCTURE

Asset Allocation (Effective)



Top 10 Equity Holdings

	% of Category	% of Total
Gold Fields Ltd	8.64	1.23
Anglogold Ashanti Plc	8.05	1.15
Naspers Ltd	7.88	1.13
FirstRand Ltd	7.79	1.11
Standard Bank Group Ltd	5.55	0.79
Capitec Bank Holdings Ltd	4.98	0.71
Valterra Platinum Limited	4.77	0.68
MTN Group Ltd	4.43	0.63
Glencore PLC	3.62	0.52
Anglo American PLC	3.56	0.51

MONTHLY PERFORMANCE RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2026	1.80%	2.75%	-4.58%	2.90%	0.89%	0.04%	0.09%	1.17%				
2025	1.15%	-0.11%	0.63%	2.12%	1.16%	1.61%	2.27%	1.28%	2.52%	2.31%	1.01%	1.37%
2024	0.07%	0.44%	0.46%	0.33%	1.10%	1.92%	2.25%	1.56%	1.76%	-0.36%	1.95%	1.01%
2023	4.41%	-0.19%	-0.25%	1.50%	-0.33%	0.91%	0.34%	0.56%	-1.84%	-0.75%	4.38%	1.11%
2022	0.65%	0.77%	-0.34%	-0.53%	0.67%	-2.46%	2.36%	0.25%	-1.12%	2.27%	2.06%	-0.57%
2021						0.13%	1.47%	1.30%	-0.86%	0.49%	0.79%	2.96%

Please note that there are risks associated with financial products and past performance is not necessarily an indication of future performance.

PORTFOLIO MANAGEMENT



Fazila Manjoo, BSc (Actuarial Science) PG Dip (Management in Actuarial Science)

Head: Multi-Asset & Global Equity

Fazila joined Mergence in September 2020 as a Portfolio Manager in the Multi-Asset team. At the start of 2026, she was appointed Head: Multi-Asset & Global Equity, reflecting her leadership role across global equity, balanced and absolute return strategies. She has over 21 years of experience in the financial services industry and a strong passion for research, technology and sustainability. At Mergence, Fazila is responsible for the development and implementation of quantitative and systematic investment strategies across multi-asset portfolios.



Mohamed Ismail, BSc Hons (Advanced Mathematics of Finance), EMFin, FRM, CFA

Head: Fixed Income

Mohamed joined Mergence in March 2021 as Head of Fixed Income within the multi-asset class team. He has 17 years of experience. Mohamed is responsible for a stand-alone fixed-income product and integrating a fixed-income investment process into the overall multi-asset strategy. He is the primary portfolio manager for the Mergence Composite Bond Fund and lead investment manager for the Money Market and Multi-Asset Income portfolios.

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