Perspective
Investment Management

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October 2025

To our Fellow Fund Investors,

Perspective 2025 Annual Letter

The thread woven throughout this letter is **entrepreneurship**.

We explore topics such as - What is an entrepreneur? Who qualifies as entrepreneurs? What does it mean to invest with an entrepreneurial mindset? Why does this even matter? And why does it matter now perhaps more than ever?

We do this in context of reporting accurate, relevant data and insights on the investment results of our unit trust funds; the events, research, and thinking that influenced our recent investment decisions therein; their current positioning; an update on our firm, the solutions we offer, and our key business partnerships; and a few extra bits & pieces.

Our firm turns 9 years old this December. The Balanced Fund turned 8 years old in September and the Executive Equity Fund turned 5 years old in October. Hundreds of incredible people from many walks of life have contributed to what you experience when investing with Perspective. We are immensely grateful to each one of them and to you.

We reflect on everything that has unfolded in the world since we started our own firm in December 2016. Extreme market volatility, the Covid pandemic, significant political shifts, an attempted coup in South Africa, the formation of the GNU, the rise of AI, tariff wars, real wars - the list just goes on and on. We are proud of the results we produced in these circumstances - in terms of investment returns, but also in terms of supporting you with quality personal service and regular communication intentionally designed for you to be properly informed.

Thank you for your trust in us. **Perspective exists because of you, and for you**. We will *never* forget this.

We hope you will enjoy finding long-term value in this letter.

Our work continues...

The Perspective Team [*in South Africa, France, Canada, and the United States of America*]

Perspective Investment Management (Pty) Ltd is an authorised financial services provider, **FSP No. 47672** - Registration No. **2015/211710/07**
Directors: Daniel Malan, Mikael Liefferink, John Rainier (Independent Non-Executive Chairman)

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Letter Segments

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1. Market Data

Market Data Table	September 3rd, 2017*	End September 2024	% Change September 2017 to September 2024	End September 2025	1 Year % Change
Currency Prices					
SA Rand to US Dollar	12,8	17,3	35,3%	17,3	-0,1%
SA Rand to UK Pound	16,6	23,1	39,0%	23,2	0,3%
SA Rand to Euro	15,3	19,2	25,4%	20,3	5,3%
SA Rand to Canadian Dollar	10,5	12,8	21,8%	12,4	-3,1%
Government Bond Yields					
SA 10-year (in SA Rands)	8,4%	8,9%	5,0%	9,2%	4,3%
US 10-year (in US Dollars)	2,1%	3,8%	80,0%	4,1%	9,3%
UK 10-year (in British Pounds)	1,0%	4,0%	296,0%	4,7%	17,5%
Commodity Prices					
Gold Bullion (in US Dollars per ounce)	1 333	2 639	98,0%	3 860	46,3%
Newgold ETF (**in SA Rands**)	163,5	420,0	156,8%	615,2	46,5%
Silver Bullion (in US Dollars per ounce)	17,8	31,2	75,2%	46,8	49,8%
Platinum (in US Dollars per ounce)	1 006,0	991,0	-1,5%	1 560,0	57,4%
Palladium (in US Dollars per ounce)	940,0	989,5	5,3%	1 262,0	27,5%
Iron Ore (in US Dollars per ton)	78,0	109,3	40,1%	105,4	-3,6%
Copper (in US Dollars per pound)	3,09	4,49	45,3%	4,83	7,6%
Brent Oil (in US Dollars per barrel)	52,5	77,0	46,8%	66,0	-14,3%
Property Indices - Market Cap Weighted Prices (*excluding* Dividends)					
SA JSE Property Index (in SA Rands)	653	410	-37,3%	430	5,0%
MSCI World Property Index (in US Dollars)	1 010	1 126	11,5%	1 477	31,2%
Equity Indices - Market Cap Weighted Prices (*excluding* Dividends)					
SA JSE All Share Index (in SA Rands)	56 312	86 628	53,8%	107 575	24,2%
SA JSE All Share Index (**in US Dollars**)	4 413	5 016	13,7%	6 236	24,3%
Global MSCI World Index (in US Dollars)	1 954	3 694	89,0%	4 306	16,6%

** September 3rd, 2017 marks the inception date of the Perspective Balanced Prescient Fund.*

Key observations on the 1-year changes:

- The South African Rand has been more stable recently.
- Government Bonds continued selling off.
- Precious Metals Prices strengthened considerably.
- Industrial Commodity Prices were a bit weak.
- The Global Property Index rallied strongly, whereas the South African Property Index increased only marginally.
- The South African Equity Index rallied strongly and outperformed continued strong returns in the World Equity Index.

2. Unit Trust Fund Investment Results

Investment Results Table	Fund Inception Date	Annualized Total Return: Inception to End September 2025 - 8 Years	Annualized Total Return: Inception to End September 2025 - 5 Years	Total Return: 1 Year to End September 2025
Perspective Balanced Prescient Fund - A1 Fee Class	2017 / Sep / 04	9,9%		9,7%
Fund Benchmark: CPI + 5% p.a.		9,6%		8,3%
Perspective Executive Equity Prescient Fund - A1 Fee Class	2020 / Oct / 21		15,8%	2,0%
Fund Benchmark: CPI + 6% p.a.			11,0%	9,3%
For Reference: JSE AllShare Index			18,0%	28,1,%

<u>Notes:</u>
(1) The **A1 Fee Class** *charges an annual portfolio management fee of 1%+VAT. Industry regulations dictate the public disclosure of only the highest fund fee class' returns.*
(2) *The calculation of* **Fund Total Returns** *are expressed in SA Rands, Includes Dividends and Interest, and is stated* **After** *All Fund Costs and Portfolio Management Fees.*
(3) *The calculation of* **Index Total Returns** *are expressed in SA Rands, Includes Dividends, and is stated* **Before** *any Costs.*
(4) *The* **Perspective Balanced Prescient Fund's highest and lowest annualized return** *since inception was* **+41,1% and -16,5%.**
(5) *The* **Perspective Executive Equity Prescient Fund's highest and lowest annualized return** *since inception was* **+56,5% and -8,8%.**

Our unit trust funds delivered long-term investment returns after costs ahead of their respective real [*after inflation*] return benchmarks .

We are proud of this outcome, especially in considering all of the extraordinary events in local and global markets, economics, and politics during these periods. It demanded our total conviction in consistently applying a proven long-term value investment approach.

That said, while our focus remains on the business fundamentals, we noticed the lack of fund price appreciation of the Executive Equity Fund over the past 12 months in relation to its benchmark and also to the index. There is only one explanation.

We checked everything again from first principles. We are *sure* that we own great businesses that meet all 4 of our core investment criteria [*Understandability, Trustworthiness, Robustness, Valuation*], and we are *sure* that they delivered clearly visible positive progress in their business fundamentals over this past year. **This presents opportunity.**

Our portfolio managers have already acted to further increase our exposures to 6 existing fund holdings where share prices have declined while fundamentals improved - thereby creating an even higher fund-level discount to value [*margin of safety*].

Lower prices for great long-term businesses *should* cause a deepfelt sense of excitement due to our increasing future return expectations. This is so deceptively simple and easy to state in writing. In reality it can at times be hard to accomplish because it goes against our human nature. Prices make opinions. The unit price of the Executive Equity Fund increased very strongly in 2021 and again in 2024, and when that happens it tends to feel good. It is just how the world works. We know and respect that.

In the Fund Positioning segment from page 27 we provide a detailed look under the hood of each of our funds and the excellent long-term investment value they offer.

If you ever have questions about your fund investment results, please feel free to arrange a conversation directly with our portfolio managers [*Mikael Liefferink & Daniel Malan*]. Our e-mail addresses are provided on page 44. We enjoy fund investor interactions and opportunities to listen, learn, and provide clear answers if we are able to.

3. Investing with an Entrepreneurial Mindset

We begin by investigating the word 'entrepreneur'. Its origin is the 13th century French 'entreprendre', a *verb* that means 'to do something'. By the 16th century, it somehow became a *noun* for anyone who undertakes a business venture. This change is unfortunate because there is a significant distinction.

In the ultra competitive global business sector, achieving durable long-term success boils down to fundamentally good people working hard and smart.

To us, *any* person that is fundamentally good and who works hard and smart to achieve durable long-term success qualifies as an entrepreneur . Thinking about what entrepreneurship means in this way totally changed our perspective.

It became easy for us to appreciate that it is not just the founders or owners of businesses that are entrepreneurs. Any employees that contribute to the durable long-term commercial value creation in a business can now be considered entrepreneurs. It is also a mistake to assume that all business founders, shareholders, C-suite leadership, and business managers automatically qualify as entrepreneurs.

We have reason to believe that Perspective's fund investors are entrepreneurs. You and your families have worked incredibly hard and smart in order to have savings to invest. We also trust that what we do resonates deep down with you. It takes one to know one.

We added the following sentence to our website: We are a firm of entrepreneurs, who invest like-minded entrepreneurial investors' savings in businesses that are owned and led by entrepreneurial people and leaders .

You have co-created this perfect entrepreneurial alignment together with us, and it is extremely powerful. We would like to show you a few practical examples.

1. Entrepreneurial investors know that doing things properly takes lots of energy and time, that worthy endeavours have a J-curve, and to expect setbacks along the way.

The most important attribute in setting apart successful start-ups from failures is tenacity. We also use words like grit, resilience, commitment, and staying power. Entrepreneurs have diesel engines. We never ever give up; *no matter what*.

There is no way Eric Clapton sounded like a legendary rockstar the first time he played a guitar. Leonardo da Vinci over many years drew thousands upon thousands of charcoal sketches of just hands and feet to eventually perfect his technique. Without hard and smart work over decades their talents would have amounted to nothing.

The entrepreneurial founders of Google acquired a 1-year old start-up called YouTube for US$1,65bn in November 2006, when it barely produced sales and was loss-making. It would have been nonsensical to expect to see significant success in their YouTube division in December 2006 or in any quarterly results in 2007, 2008 or 2009. The impact of the Global Financial Crisis on YouTube's advertising driven business model was severe. Google's share price plunged by 60% from 2007 to 2009.

Google's founders and leaders kept calm, focused on the fundamentals, trusted their long-term vision, strategy, and team, and kept investing in developing YouTube. Not even 20 years later, YouTube generates US$36bn in sales *annually*. YouTube's operating profits are not disclosed, but assuming it earns the same operating profit margin as the rest of Google it would be generating US$12bn in operating profits, *annually*.

One of the most valuable insights we have learnt in studying and partaking in durable long-term entrepreneurial success is: **When we do identify entrepreneurs and entrepreneurial businesses, look for a sensible opportunity to invest in and with them, and then hold on tight for as long as they remain true to entrepreneurial values.**

2. Entrepreneurial investors distinguish price from value.

A fund consists of a number of individual fund holdings. Each fund holding has a share price determined by the mood swings and the buying or selling actions of millions of daily stock market participants, as well as a fundamental value. There is no guarantee that the price of any fund holding on any given day would be exactly equal to its fundamental value. It might be the same, the price might be well above or well below the fundamental value, or somewhere in between these extremes. There are no referees in the stock market responsible for stopping market participants from paying too much or selling for too little.

If every individual fund holding has a price and a fundamental value, it follows that a fund as a whole must also have a price and a fundamental value. The fund price is the unit price that is independently calculated by the fund administrators daily, that is publicly visible, and that fund investors transact at to buy or sell fund units. The fund administrators do not calculate the fund value. All of that valuation work is performed by our investment team members, and we do not share our detailed work in public.

If we have done our jobs to invest (a) in a diversified group of entrepreneurially led businesses with the credibility, resources, courage and determination to invest in long-term J-curve growth projects, and (b) at a time when their share prices are well below their values, then it follows that our fund unit prices should also be well below their values.

3. Entrepreneurial investors are common sense opportunists.

In the stock markets there are many market participants of all types who are super short-term focused and operate with little to no understanding of what it takes to create durable commercial business value or that value is different from price. As a result, it often happens that the share price of a listed business can decline precipitously on no news, fake news, an inconsequential bit of news, or changes in short-term quarterly revenues and profits.

The financial media reports daily that 'The value of company so-and-so fell by 20%'. This is simply not true. The only thing that is definitely true is that its price declined by 20%, but that tells us nothing about what happened to its value. Its value might be the same, it might have decreased, or it might even have increased [*for example, if the negative sentiment is because of a bankruptcy in the industry that serves to remove a key competitor*].

We know fundamental business value tends to be remarkably persistent and stable, with occasional large mark-ups or mark-downs based on key new developments over time. In fancier speak - the short-term volatility in stock market traded prices is orders of magnitude higher than changes in the valuations of their underlying businesses. Therein lies opportunity.

Significant price declines over short periods of time can occur to any of our fund holdings from time to time. When it does, we will always start by reassessing the business fundamentals. If they have not deteriorated, we know that our valuation of that business remains the same. So, if that share price had declined by 20% but it was already trading 30% below our valuation, then its discount to value [*margin of safety*] would have just increased significantly from 30% to 50%.

If someone offers us a much lower price on businesses or a portfolio of businesses we know, like and already consider undervalued, we act opportunistically to buy more.

4. Every Perspective team member operates with an entrepreneurial mindset .

This has important impacts on the practical ways in which we work.

When we meet confidentially in person with **fund investors**, our goal is to get to know you a little bit better each time. We can only achieve this with active listening. We ask for your critical feedback because we want to keep improving. We are also curious to learn more about any potential considerations or frustrations you may be dealing with in your own life, financially speaking that is, that we may have solutions for, or can find or develop solutions for if we are able to. We might not always have an answer ourselves, but we likely know or can find someone in our network who does.

Many of our fund investors are also **proven experts** in various fields, including, but most certainly not limited to, business. In addition, we created and continue expanding a proprietary expert network. In the process we learn more about specific businesses, specific industries, general business principles, and life.

In our capacity as **investment analysts**, we are researching and engaging with the executives of listed and unlisted businesses across industries and countries. What we are endlessly searching for is to identify more like-minded entrepreneurial business leaders and the businesses they own or lead. They provide us with case study learning opportunities and a pipeline of originally sourced new investment ideas.

Our research is unashamedly focused on the human elements of doing business. Executives are humans too, with hopes, dreams, families, friends, and health considerations. Authentic communication with the leaders of businesses for a job well done or for support during the toughest times goes a long way.

As **portfolio managers**, we act as responsible long-term intentioned owners of businesses. In any given year there are a number of formal and informal engagement opportunities with the businesses we own in our funds. On occasion we generate a few specific questions following a set of results, a presentation, a site visit, a corporate action such as an acquisition or sale, or the publication of an annual report and voting proxies.

Consistently showing up over many years with an entrepreneurial mindset and a respectful attitude tends to unlock an entirely different level of insight into businesses and their industries and leaders. It takes time and effort, but it works.

As **business leaders** of Perspective itself, we value and treat all our commercial business partners with the utmost respect, in the way we would ourselves want to be treated by them. We aim for durable long-term business relationships, which preferably last forever.

Durable long-term relationships are not moonshine and roses all of the time. Our carefully selected business partners set and maintain extremely high standards of conduct and ethics, as do we. We hold each other to account with accuracy and honesty on a regular and professional arms-length basis.

If a relationship with any of our business partners is ending, we only make our decision after an exhaustive consideration of all the facts, alternatives, and consequences. When we act, we do so confidentially, and with conviction, empathy, gratitude, and sincere well wishes. The manner in which we offboard any business relationship is just as important as how we onboard one.

5. Entrepreneurial investors love assets that produce regular, growing free cash flows .

In 2020, when we bought **Combined Motor Holdings** [*CMH*] for our funds, we were paying an average of R13 per share for a business generating a cash dividend of R1 at the *bottom* of its industry cycle - for a pre-tax cash dividend yield of 7,7% on our average cost. At first glance this looks good but not great.

However, over the short 5 years since it has paid out a *cumulative* cash dividend of R16,12 per share [*i.e. more than our average cost*], and has also grown its *annual* cash dividend from R1 to R3,22 per share - for a pre-tax cash dividend yield of 24,7% on our average cost just 5 years ago. Every 6 months when our funds receive their rich cash dividends from CMH, our portfolio managers can elect to redeploy those incoming free cash flows to buy more of it, or to buy other deeply undervalued businesses.

The best part? CMH is a great long-term growth business that in all likelihood will continue to grow its business revenues, profits, and annual cash dividends.

Now, stepping it up one level to that of a fund investor as a long-term owner of fund units.

On March 23rd, 2020, the Balanced Fund's A1 fee-class unit price briefly bottomed at 75,31 cents per unit during the market panic induced by the Covid pandemic and economic lockdowns. A week later, on April 1st, 2020, the fund declared a distribution [*consisting of dividends and interest income, minus fund costs*] of 3,82 cents per unit, for a yield of just over 5%.

Over the short 5 years since the fund has paid out a *cumulative* distribution of 22,09 cents per unit, and has grown its annual distribution from 3,82 to 4,89 cents per unit - for an annual yield of 6,5% on that low point in the fund unit price in 2020.

The best part? The fund owns great long-term growth businesses that in all likelihood will continue to grow their business revenues, profits, and annual cash dividends.

Imagine this - To a fund investor with an entrepreneurial mindset and a long time horizon, at some future point in time the annual cash yield on their average cost to buy into a fund could become more than the rate at which they may need to redeem fund units to fund their living expenses in retirement. In that case, they would not even have to worry about capital gains taxes on their redemptions of fund units .

4. Portfolio Management Actions Taken

4.1 Annual Fund Turnover

The average *annual* fund turnover in the Balanced Fund over the 8 years since its inception was **20,3%**, and the average *annual* fund turnover in the Executive Equity Fund over the 5 years since its inception was **19,5%**.

Our turnover is extremely low by industry standards. It clearly shows you and the executives of the businesses we own that we are walking our talk as long-term investors, and it also keeps your costs down.

4.2 Existing Fund Holdings *Reduced* (Past 12 Months)

In the Balanced Fund we reduced **Ninety1**, **British American Tobacco**, and **Sprott**.

In both funds we reduced **Bell Equipment** and **Adcock Ingram**.

In most of these cases their share prices had increased ahead of their fundamentals, thereby reducing their expected returns. This enabled us to take some money off the table and redeploy it into existing fund holdings of similar or better quality that offered better long-term investment value.

Adcock Ingram is a special situation, as it received a takeout offer to minorities by an Indian company called Natco Pharma. We assessed the likelihood of the offer succeeding as high, so we recently sold a portion of our holding to fund the additional purchase of other and new fund holdings offering far better expected long-term returns.

Subsequently the offer was indeed accepted by a clear majority of the minority shareholders and will now be implemented. This means we will be forced to sell even though we did not want to. For the record, our vote against the offer made up 94% of all the dissenting votes. Fortunately, we are still able to indirectly partake in the long-term growth of Adcock Ingram via our fund holding in **Bidvest** [*which will continue owning a controlling 65% stake therein*].

4.3 Holdings *Exited* Completely (Past 12 Months)

In the Balanced Fund we exited **Barrick Mining**, **Nokian Renkaat**, **Franklin Resources**, **BASF**, **3M**, and **Emira Property**.

In both funds we exited **Foschini**, **Old Mutual**, **Aveng**, **PPC**, and **E-Media**.

In the Executive Equity Fund, we also exited **Anglo American**.

In some of these cases [**Nokian Renkaat**, **Franklin Resources**, **BASF**, **Anglo American**, and **Old Mutual**] their fundamentals deteriorated, resulting in reduced levels of confidence in our thesis. One of our priorities is to be extra vigilant about maintaining the high standards we set for long-term business ownership. **We are increasingly disillusioned with owning listed companies that are professionally owned by institutional shareholders and professionally managed by gunslinger-like short-term tenured executives.**

If we do own any professionally owned and managed businesses, we will at least want to be confident they are businesses with entrepreneurial cultures that respect shareholders and are led by entrepreneurial executives with proper skin in the game - financially and reputationally. We call this 'founder ethos'.

Important aspects of our vigilance is to monitor fundamental developments at all of our fund holdings closely and to do the work to further deepen our knowledge of their industries, the businesses therein, and their leadership. The earlier we can detect any deterioration and get stuck in to try and figure things out, the better. Ignoring early warning signs would be big mistakes that we work hard to avoid.

In the case of **3M**, **Foschini**, and **PPC**, strong increases in their share prices and the ready availability of far more attractively priced alternatives played a more dominant role in our decision to reduce exposure and exit.

We received **E-Media** shares in September as it unbundled from our holding in **Remgro**. We were publicly informed well in advance and our team prepared accordingly - because (1) we want to make an informed decision; be it to buy more, sell it, or keep it, and (2) spin-offs can produce excellent new investment ideas. E-Media looks somewhat undervalued, but that alone was not enough to satisfy all of our 4 core investment criteria.

Our exits of **Barrick Mining** , **Aveng** and **Emira Property** warrant further explanation.

There is nothing sinister behind our decision to exit **Barrick Mining** in our Balanced Fund. We really like the business, and we continue owning it in our Global Bespoke Mandates because they are not yet fully invested. Our Balanced Fund however is fully invested, and in any fully invested fund our portfolio managers are sometimes forced to make trade-off decisions.

Trade-off decisions are tough calls for our portfolio managers to make. We really like everything we decide to own, but we also know that we cannot just keep on adding new holdings to our funds. We have also been deliberately increasing the concentration levels and business quality of the Balanced Fund. On this occasion, we had to find room to allocate some of the Balanced Fund's capital to even better investment ideas.

Our investment thesis for owning **Aveng** relied on the ability of its leadership to restructure and turn the whole business around. We waited patiently, for years, for the restructuring to first be fully completed and the balance sheet strengthened *before* we started building a position in our funds. We monitored the business closely, and its management consistently reported positive fundamentals supportive of our thesis. The share price performed strongly in 2024.

Then, early in 2025 they shocked us and the market by disclosing a significant loss-making construction contract in their Australian division, McConnell Dowell. We know from our previous case studies to shoot first and ask questions later when the fundamentals start deteriorating unexpectedly in the construction industry and management is not communicating as we expect of them. We were able to access sufficient market liquidity and exited our full position promptly and profitably.

As we do with all completed ownership cycles, following a deliberate cool-down period we will case study this outcome to look for any potential mistakes and lessons to be learnt and included in our knowledge library for future reference.

Our investment thesis for owning **Emira Property** relied on the rare to find and human-centric culture instilled by its CEO, Geoff Jennett. We started building a much bigger position in 2019 as the Covid pandemic fully unfolded. Its share price traded at a substantial discount to its net asset value and by our calculations would deliver an attractive normalised yield of over 20%.

In 2024, we took notice when another JSE listed company called Castleview acquired outright control of Emira. Our concern, that this might result in a key change in its leadership and culture, became reality when the CEO departed abruptly in the course of 2025. His replacement was not someone from within Emira either, but from Castleview. This also factored into our decision to exit, as did the strong share price performance that served to significantly reduce the discount to net asset value as well as the yield.

In contrast to how we assessed Aveng and how quickly we reached a decision and acted upon it, we took our time to reassess Emira from first principles. Over the course of 3 months, we read or re-read all the publicly available information on both Emira and Castleview, as well as all our meeting notes. In addition, we engaged with a number of property industry experts in our network, as well as executives at Emira and Castleview. We debated our findings extensively, and we only reached a conclusion after we were satisfied we could see clearly what was going on.

Having owned and been supportive of Emira for over 5 years, we are disappointed that things changed in such a manner that we concluded we had to exit. Positively, it was a rewarding investment in both of our funds, and as a bonus we have also expanded our network and gained valuable insights about business leadership, culture, people, and control ownership behaviours and incentives.

4.4 *Additions* to Existing Fund Holdings (Past 12 Months)

We increased exposures to a large number of existing fund holdings in both funds. This was deliberate, as we observed clear evidence of positive fundamental progress. In some cases, their share prices also declined further, presenting opportunities to reduce our average cost while improving the fund-level price to value discount.

In the Balanced Fund we increased exposures to **Walt Disney**, **Haw Par**, **Henkel**, **Nutrien**, **Swatch**, **Boston Beer**, **Hochtief**, and **Pick 'n Pay**.

In both funds we increased exposure to **Afrimat**, **WeBuyCars**, **RCL Foods**, **Italtile**, **Kumba Iron Ore**, and **Spar**.

In the Executive Equity Fund, we also increased exposure to **British American Tobacco**, **Pepkor**, **Ninety1**, and **Coronation**.

Importantly, 13 of these 18 businesses have large shareholders of reference or outright control owners with significant influence .

4.5 *New* Fund Holdings Acquired (Past 12 Months)

In both funds we established new holdings in **Rainbow Chicken**, **AECI**, **Bidvest**, **Valterra**, and **S&P 500 Put Options**.

In the Balanced Fund we also established new holdings in **Estee Lauder**, **Platinum Bullion**, **Brown Forman**, **Becle**, **Diageo**, **Remy Cointreau**, **South African Government R209 Bonds**, **CarMax**, **Hamamatsu Photonics**, and **Vicat**.

Importantly, 8 of these 12 businesses have large shareholders of reference or outright control owners with significant influence.

<u>A Brief Review of New Fund Holdings</u>

Rainbow Chicken [Poultry & Animal Feed]

Founded -	1960
Founder -	Stanley Methven
Key Leadership -	Chair Pieter Louw, CEO Marthinus Stander, CFO Kerry van der Merwe, COO Wouter de Wet
Annual Sales -	R15,8bn
Employees -	6,696 & additional 3,299 contracted

Rainbow listed on the JSE in 1989, and in 1992 acquired Epol, an animal feeds business. In 2013 it acquired Foodcorp and the name was changed to **RCL Foods**. Following a carefully executed planned separation, earlier in 2025 RCL Foods unbundled its stake in Rainbow Chicken to RCL Foods' shareholders - which included its control owner, **Remgro**, and also the Perspective unit trust funds.

Similar to **WeBuyCars**, that we acquired in 2024 after it spun off from Transaction Capital, we assessed the investment merits of Rainbow Chicken as an independent listed entity and concluded that it is a sensible long-term investment opportunity. The market capitalizations of RCL Foods and Rainbow Chicken are considered small, but they also have a small free float due to the controlling ownership stakes held by **Remgro**. To medium and large sized investment firms, RCL Foods and Rainbow Chicken are for all intents and purposes uninvestable and not worthy of researching. Rainbow Chicken even had to find and pay a sell side research analyst to publish a research report in the runup to the listing.

We are impressed with Rainbow Chicken's leadership and their excellent operational recovery since changing their poultry genetics - a significant long-term strategic business decision that took over 2 years to fully implement. Their own tagline is '*Chicken people doing chicken things*' - this level of focus and total dedication is of vital importance in this particular industry.

AECI [Explosives & Industrial Chemicals]

Founded -	1924
Founder -	Merger of Nobel Industries with De Beers Manufacturing
Key Leadership -	Chair Philisiwe Sibiya, CEO Dean Murray, CFO Ian Kramer
Annual Sales -	R33,3bn
Employees -	6,938

We have owned AECI on a few occasions over the past 30 years. It traces its roots to the well named Zuid Afrikaansche Fabrieken voor Ontplofbare Stoffen in 1896. It has undergone a number of expansions and shrinkages over its long history. The business today is essentially an industry leader in global mining explosives together with a South African focused specialized industrial chemicals business. There are other bits & pieces, chiefly consisting of large tracts of development land holdings.

One mental model in our toolkit occurs when a business acquires other businesses outside of its core competencies and/or geographies, soon after runs into all sorts of trouble, and then starts the painful but necessary process of refocusing on its core competencies and geographies.

AECI fits this description. We are impressed with the new leadership team, a much more focused business strategy, and the clear steps they have already taken. This is not a classic turnaround, because their core businesses are well run and performing.

Bidvest [Diversified Industrial]

Founded -	1988
Founder -	Brian Joffe
Key Leadership -	Chair Bonang Mohale, CEO Mpumi Madisa, CFO Mark Steyn
Annual Sales -	R126,6bn
Employees -	134,083

Bidvest is hands-down one of the best 'ordinary-turns-extraordinary' businesses that we have ever researched and owned. It has an exemplary world-class track record in repeatedly creating durable long-term shareholder value with acquisitions and their integrations thereof. They also exhibit a deep understanding of what we call 'The Listed Game', which creates additional durable long-term shareholder value. For reasons we fail to understand, finding a business or executives with a good listed game is an exceedingly rare find in the global stock markets. It is an attribute we seek out and value highly.

Bidvest was founded in South Africa by a then 41-year old relatively unknown entrepreneur by the name of Brian Joffe, who served as its CEO until 2016 and remains on the board as a non-executive director. Today it employs 134,000+ people in Bidvest alone, with another 30,000+ in BidCorp, itself an amazing business, which used to be part of Bidvest but was spun off into a separate listing in 2016.

We are extremely fortunate that South Africa contains and brings forth so many amazing entrepreneurs and entrepreneurial businesses. Despite the terrifying headwinds they all endure, they have built many world-class growth businesses, both listed and unlisted, that provide careers, education, dignity, and hope to our citizens and communities.

With its proven capabilities and vast scale in every respect, Bidvest is uniquely and well positioned to partake in any future public-private infrastructure developments in South Africa. Our country is in deep need of kickstarting an infrastructure investment cycle and it can only be done in partnership with the skills and capital in the business sector. Importantly, Bidvest is undervalued based on what it is today, not on what it might become in the future.

Valterra [Platinum Group Metals Miner]

Founded -	1928
Founder -	Anglo American / Ernest Oppenheimer / Hans Merensky
Key Leadership -	Chair Norman Mbazima, CEO Craig Miller, CFO Sayurie Naidoo
Annual Sales -	R109bn
Employees -	19,637 + 9,385 additional contracted

Valterra is a new name for one of South Africa's oldest and biggest listed businesses - Anglo American Platinum. It was unbundled from former parent company Anglo American in mid 2025. The new name means 'strong earth', or 'mighty warrior'. This is an accurate description of its clear leading position in the global PGM [*Platinum Group Metals*] industry.

While indeed a type of spin-off, we were able to assess the long-term operating performance and market valuations of Valterra as a listed business going back more than 40 years. Our assessment of the PGM industry cycle is that it has bottomed [*see Platinum Bullion below*], and we know in Valterra we own the biggest and best business in this industry. We are careful to use the words 'unique resource' to describe any mining company, but it is clear that (1) South Africa has 80% of the world's known PGM reserves and (2) Valterra is the global PGM industry's 800-pound gorilla.

We expect it could also prove to be a net positive for Valterra's leadership to no longer be reporting to their former bosses. Anglo American's management have been acting pro-cyclically, are under significant performance pressure, distracted, and vulnerable to a business or leadership takeover.

S&P 500 Put Options [Downside Protection]

From time to time, when leading global indices are clearly overvalued and over popular, and the cost of insuring against their declines is low, we buy some downside protection against potential serious index declines. From the perspective of a long-term fund investor, we are not sacrificing fund capital for doing so. Instead, we are essentially funding this with a portion of each fund's annual income.

It appears as a small position, but when it matters most it acts as a meaningful shock absorber to protect our funds and fund investors from fully partaking in serious index declines - as it did when it was tested during the sharp index declines in early 2025.

Estee Lauder [Prestige Beauty]

Founded -	1946
Founder -	Estee Lauder
Key Leadership -	Chair William Lauder, CEO Stephane de La Faverie, CFO Akhil Shrivastava
Annual Sales -	US$14,3bn
Employees -	57,000

The business that bears her name was founded from scratch by a visionary entrepreneurial woman, a veritable force of nature. She began by demonstrating skin care and makeup products on women while they were sitting under hair dryers in beauty salons. She earned respect for her hard work, creativity, and perseverance. She is a terrific role model for any entrepreneur, in any industry, of any age, and be they a woman or a man.

Today Estee Lauder is one of the top global prestige beauty industry leaders, selling high quality skin care, makeup, fragrance, and hair care products in 150 countries from over 20 brands. In South Africa it is incredibly tough to expand a business from one province to another - imagine what it must take to expand to 150 *countries*!

Successive generations of the Lauder family have continued serving the business well in leadership and governance positions for decades.

Market disappointment with short-term financial results led to a steep decline in the share price. We were finally provided with a sensible opportunity earlier this year to begin our 2nd ownership cycle of this wonderful founding family owned business.

Platinum Bullion [Commodity]

PGM is the acronym for Platinum Group Metals, of which there are three: Platinum, Palladium, and Rhodium. Our team noticed that their prices and the profitability of the PGM mining companies were at a low point in their cycle. Prior to the recent sharp price increase, the Platinum price in particular had been going more or less sideways since the start of 2016. This sustained period of difficulty was enough to break the confidence of industry decision makers and owners. As a result, industry output growth has stalled, and this has created a deficit [*when demand is above supply*].

Our mental model in commodity investing involves waiting for a clearly defined checklist of industry conditions to be met before we invest. In late 2024, all of these conditions were finally met. Simultaneously, our team dug deeper into all of the listed PGM mining businesses around the world to look for related investment opportunities [*see Valterra above*].

Brown Forman, **Becle**, **Diageo**, **Remy Cointreau** [Alcoholic Beverages]

Brown Forman

Founded -	1870
Founders -	George Garvin Brown & John Forman
Key Leadership -	Chair Marshall Farrer, CEO Lawson Whiting, CFO Leanne Cunningham
Annual Sales -	US$4bn
Employees -	5,000

Becle

Founded -	1758
Founder -	Jose Antonio de Cuervo y Valdes
Key Leadership -	Chair Juan Francisco Beckmann Vidal, CEO Juan Domingo Beckmann Legoretta, CFO Rodrigo de la Maza Serrato
Annual Sales -	MXP43,9bn [*approximately US$2,4bn*]
Employees -	8,893

Diageo

Founded -	1886
Founders -	Angus McDowell, Arthur Guinness, Alexander Walker
Key Leadership -	Chair Sir John Manzoni, CEO Nik Jhangiani, CFO Deirdre Mahlan
Annual Sales -	US$20,2bn
Employees -	29,000

Remy Cointreau

Founded -	1724 [Remy Martin] & 1849 [Cointreau]
Founders -	Paul-Emile Remy Martin, Adolphe & Edouard-Jean Cointreau
Key Leadership -	Chair Marie-Amélie de Leusse, CEO Franck Marilly, CFO Luca Marotta
Annual Sales -	EUR984,5mn [*approximately US$1,1bn*]
Employees -	1,856

We knew from our long-term ownership of **Remgro** that its alcohol beverages business interests in Heineken Africa [*that was merged with our former fund holding* ***Distell***] was experiencing an extended industry downturn following an unsustainable spike in demand during the Covid-pandemic.

We also took notice when the share prices of many high quality global listed businesses in this industry declined significantly over the past 4 years. In our 2024 annual letter we described a new fund holding in the US - specialized craft beer brewer **Boston Beer**. That was not the only business in this industry we were busy working on.

We now own 5 alcohol beverages businesses, but we think of and manage them as a single position. **Diageo** is the only one of these that is *not* still founding family owned. By grouping all 5, we have essentially constructed one high quality global enterprise, with leading category market share in craft beer, whiskey, tequila, vodka, gin, rum, champagne, and cognac.

Currently, 4 of the 5 businesses we own are busy with significant share buybacks. If more listed businesses in this industry meet all our criteria *and* can add something special to this collection, we will add them.

We particularly enjoyed learning more this year about the histories of the founding families and business cultures at **Boston Beer**, **Brown Forman**, **Becle**, and **Remy Cointreau**. These are extraordinary case studies in successful multi-generational family ownership handovers of capital and knowledge - a topic close to our hearts.

South African Government R209 Bonds

A short primer - The Balanced Fund is managed in compliance with the Reg 28 Pension Funds Act, which caps maximum fund exposure to equity [*stocks*] at 75%. The 25% remaining component can be invested in non-equity asset classes, such as cash, but also in listed property, commodities [*see Platinum Bullion above*], corporate bonds, and government bonds.

The long-term performance benchmark of the Balanced Fund is to deliver 5% real [*after inflation*] returns. In this context, it does not make any sense to keep an overly large amount of cash in the fund for long periods of time, because cash only delivers a real [*after inflation*] return of 0,5% p.a. or less, which would act as a significant headwind against our benchmark investment return objectives.

Early in 2025 we identified an opportunity to invest in South African government bonds backed by the country's assets [*natural resources and entrepreneurial citizens*] when they were briefly priced at a sufficiently attractive yield to maturity of 11%. If South African inflation over the next 10 years averages 6%, then our fund will have earned a real [*after inflation*] return of 5% p.a. from this investment. If inflation was to come in at less than 6%, then the fund's real return would be further enhanced.

CarMax [Used Car Retailer]

Founded -	1993
Founder -	Richard Sharp
Key Leadership -	Chair Thomas Folliard, CEO Bill Nash, CFO Enrique Mayor-Mora
Annual Sales -	US$37,5bn
Employees -	30,048

We build and assess a proprietary list of comparable global peers in every industry we invest in. In our 2024 letter we wrote about investing in **WeBuyCars** in South Africa, which operates in the used car retail industry. CarMax is a listed business in this highly fragmented industry in the US, and the leader with 5% market share.

Despite stock market indices being at all time highs, it is clear that all is not well with the state of US consumers. Recent results from CarMax show it, as does its weak share price. The recent bankruptcies of two large US auto loan companies have also weighed on market sentiment. CarMax also offers auto loans, but we have confirmed they only originate loans and their balance sheet is not directly exposed to loan defaults.

From a portfolio risk management perspective, we remain concerned about becoming overexposed too early to US consumer discretionary spending specifically reliant on access to credit. We deliberately bought a small initial position in CarMax to start off with.

Hamamatsu Photonics [Complex Light Technologies]

Founded -	1948
Founder -	Heihachiro Horiuchi
Key Leadership -	Chair Akira Hiruma, CEO Tadashi Maruno, COO Hisaki Kato
Annual Sales -	JPY203bn [*approximately US$1,3bn*]
Employees -	6,395

This is our 2nd ownership cycle of this Japanese listed business. As with many other great long-term businesses in Japan, Hamamatsu is the dominant leader in a highly niched, innovative, research-led, sophisticated global sub-industry. Many people do not know anything about it, but would critically rely on its products at some point in their lives.

Put as simply as we could understand it ourselves: They research, design, and create complex light technology solutions in optical sensors that are used as key components of biomedical imaging devices - such as X-Ray, CT, PET diagnostics, and MRI machines found in healthcare facilities - and quality control devices used in the semiconductor industry.

In addition, they also create complex light technology solutions used in industrial, analytical, and transport instrumentation. For example: atmospheric measurement examining pollutants in order to combat climate change; sensors used in vehicles and their automation; and sensors used to support factory automation.

Vicat [Cement & Aggregates]

Founded -	1853
Founder -	Louis Vicat
Key Leadership -	Honorary Chair Jacques Merceron-Vicat, Chair & CEO Guy Sidos, CFO Hugues Chomel
Annual Sales -	EUR3,88bn [*approximately US$4,5bn*]
Employees -	10,159

We identified Vicat while building and assessing global comparable peer sets for our fund holdings in the cement [**PPC**] and aggregates [**Afrimat**] industries. It is a very special business, being the first inventors of cement worldwide, as well as being 172 years old, governed and led by members of the founding family's 7th generation, and with the 8th generation already in operational roles as they learn the ropes from the ground up.

The business invested heavily in global expansion, new product development, and growth projects from 2019 to 2023. It is busy consolidating, thereby driving significant free cash flow generation which management is deploying sensibly to degear the balance sheet, raise the dividend, and buy back shares at per-share value-accretive levels.

They have created a commercially viable low carbon emissions cement, and are also strategically well located in 2 key cement growth markets, France and the United States, which combined already produces over 50% of their profits.

Their annual report is a lengthy affair, but is a treasure trove of industry insights. It is as if they really want their shareholders to understand the business. [*What a novel idea!*]

5. Investment Strategy

Our 'heatmap' provides a keynote summary of where we see opportunities and risks in the markets at this time.

Asset Class	South Africa		Global ex South Africa	
Currencies	Despite recent strength the SA Rand remains meaningfully undervalued, but is also vulnerable to any global risk-off stance.		US Dollar is king in a global risk-off stance.	
Commodities	Precious Metals no longer offer attractive downside protection qualities, but some opportunities have emerged in industrial commodities.		Precious Metals no longer offer attractive downside protection qualities, but some opportunities have emerged in industrial commodities.	
Government Bonds	The higher yields on offer in long-duration bonds presented opportunities, but remains vulnerable to further rising global benchmark yields and any deterioration in political leadership. Yields on short-term cash deposits are attractive.		There are reasonably attractive returns available for cash in short-term treasuries. Long bonds continue selling off, but geopolitical risks and sovereign debt levels remain material downside risks to duration exposure.	
Corporate Bonds	Yields alone will never be sufficient to compensate for the significant liquidity and pricing risks in the secondary market.		Increased benchmark yields, combined with low yield spreads and vulnerability to recession, all implies significant downside risks remain.	
Real Estate Stocks	A few attractive opportunities in discerningly selected, quality, scale & diversified listed businesses.		Price declines in selected instances may offer up sensible opportunities, but given gearing levels at this early part of the cycle we remain extremely cautious.	
Stocks	Many generationally attractive opportunities in a diversified range of quality scale businesses, mostly outside the Top 40 index. In contrast, the index, which is not representative of SA Inc, remains overvalued and vulnerable to a global risk-off stance.		Despite clear signs of elevated geopolitical risks, high sovereign & consumer debt levels, and economic distress in many global industries, the key benchmark indices stubbornly remain high with well above normal valuation multiples. However, we are increasingly finding much more constructive pockets of long-term investment opportunities developing in specific industries.	

The size and duration of the virtually uninterrupted bull market in global equity indices that started in 2009 has been extraordinary. It has resulted in our increasingly sceptical assessment of the elevated valuation levels and investment risks of the indices over the past number of years. However, this does not mean that we need to engage in market timing by significantly reducing equity exposures in our funds. We have a number of tools at our disposal to maintain fund-level robustness.

Our firm and investment process is unconstrained by design, which means that when the best opportunities present themselves we can invest in them on your behalf regardless of their inclusion in market indices or their size of market capitalization.

There are over 50,000 listed stocks around the world. Many are rubbish or mediocre and we do not waste precious time and energy on those. Some are truly exceptional, and these are the ones we seek out and study. If they meet 3 of our 4 core criteria - with the exception of valuation - we add them to our **Global Wish List** to keep track of them.

When prices of businesses on our Global Wish List are well below their values and also meet our 4th valuation core criteria, we upgrade them to our **Global Buy List**.

We only need about 15 to 25 sufficiently investable and diversified investment ideas on our Global Buy List to construct a fully invested fund. The only time we will ever feel pressured to begin to reduce equity exposure would be if we fell short in this regard. It might happen one day, but we consider that extremely unlikely.

The best phrase to describe our investment strategy at this clearly elevated point in the market index cycle is 'extreme caution'. Starting about 6 years ago, our investment strategy has emphasized these practical matters:

1. **We will not relax our standards**. Every asset we research will meet all our 4 core criteria before it can be acquired in our funds. Our portfolio managers will keep all our funds within their clearly defined risk parameters.
2. **We will be restless about identifying actual and potential mistakes and weaknesses in our investment process and fund holdings**. If we do uncover something, we will act immediately by mobilising our team to prioritize further work and by acting on our researched findings.
3. **We will give priority in our funds to businesses with proven staying power - especially during tough times**. We want to be long-term owners of businesses with credible control owners, credible entrepreneurial leadership with significant skin in the game, fortress-like balance sheets, strong free cash flow generation, scale, which are respected as clear industry leaders, and that produce irreplaceable goods and services considered essential by their customers.

Today's mainstream investment narrative is obsessed with the so-called 'Magnificent 7'. That horse gets beaten to death every day in the financial media, which is perfectly understandable because so many people's portfolios are massively overexposed to it - be they owners of passive index products or index performance benchmarked investors who, due to commercial career risk, dare not construct portfolios with excessive tracking error.

To ride on the coattails of an analogy we like using, we know in which camp the herd of elephants [*large global investment and speculative capital flows*] are currently, because we can clearly see all of them standing there. We can also clearly see that there is no green grass left in that camp. In 2022, right after the herd had stampeded out of that camp, a huge dump of cut grass [*the promised land of AI*] fell from the sky and the entire herd stampeded back in and have been gorging themselves on it ever since.

We can also clearly see a number of camps [*industries and countries*] with no elephants in sight where the green grass [*future expected long-term investment returns*] has grown high. How and why did this happen? Despite index highs [*which mainly impacts already wealthy consumers with savings to invest*], the real economy has actually been quite weak.

One example is overindebted consumers grappling with the painful impacts of far higher living costs [*inflation*], funding costs [*interest rates*], and increasing uncertainty about their job security. Another example is the impact on related industries of agricultural and energy commodity price deflation following the inflationary era induced by the Covid pandemic.

This fundamental weakness has resulted in sharp declines in share prices in large segments of the consumer, food, and energy products industries. These industries contain many iconic businesses, some of whom we have started buying because they are finally available at significant discounts to their intrinsic business values.

Despite the elevated index levels, we are excited about the quality and deep undervaluation of the businesses we have been buying more of and those we have been adding to our funds. We are also excited about the quality and depth of our pipeline of new ideas drawn from our Global Wish List.

There is a strong robustness element that exists at a fund level when it is filled with a diversified selection of (1) quality (2) undervalued businesses with (3) strong balance sheets and cash flows that are (4) owned and led by entrepreneurial people.

Here is why.

A **quality** business is one that exhibits resilience in terms of its revenues and profits in difficult economic circumstances. Put simply, it suffers less than the average, and as a result it takes market share if and when its competitors shrink or exit.

A share price that is deeply **undervalued** results in value-creating acquisition opportunities. For example, management can buy back shares or the whole business can become an acquisition target.

A **strong balance sheet** and free cash flows provides capital that makes a business less reliant on the kindness of strangers (bankers and creditors) and can fund opportunistic acquisitions of its own deeply undervalued shares or of competitors and other new business opportunities. Some of the best businesses have a strategy of hiring great people during an industry downturn.

Entrepreneurial owners and leaders are people with the vision, courage, conviction, and influence to make key capital allocation decisions that can create immense per-share long-term shareholder value.

6. Fund Positioning

The Perspective Balanced Prescient Fund

Industry Clusters & Businesses	% of Fund	Industry Clusters & Businesses	% of Fund
Food Production	**7,9**	**Mining**	**5,2**
Astral Foods	*3,3*	*Valterra*	*1,6*
Tiger Brands	*2,6*	*Afrimat*	*1,4*
RCL Foods	*0,9*	*Kumba Iron Ore*	*1,3*
Rainbow Chicken	*0,9*	*AECI*	*0,9*
Financial Services	**6,5**	**Automotive Products**	**4,6**
Sprott	*2,6*	*WeBuyCars*	*2,5*
Ninety 1	*1,7*	*Combined Motor Holdings*	*1,5*
JSE Stock Exchange	*1,2*	*CarMax*	*0,6*
Mapfre	*1,1*	**Property Management**	**3,1**
Construction & Infrastructure	**5,9**	*Growthpoint*	*3,1*
Bell Equipment	*1,9*	**Energy Production & Distribution**	**2,8**
Hochtief	*1,8*	*Exxon Mobil*	*1,7*
Wilson Bayly Holmes-Ovcon	*1,4*	*Rubis*	*1,2*
Vicat	*0,9*	**Industrials**	**2,7**
Tobacco Products	**5,8**	*Bidvest*	*1,7*
Philip Morris International	*2,4*	*Hamamatsu Photonics*	*0,9*
British American Tobacco	*2,3*	**Apparel & Accessories Retailer**	**2,4**
Miquel Y Costas	*1,1*	*Pepkor Holdings*	*2,4*
Alcoholic Beverages	**5,7**	**Luxury Goods**	**2,3**
Brown-Forman	*1,6*	*Swatch*	*2,3*
Bede	*1,4*	**Prestige Beauty**	**2,2**
Boston Beer	*1,0*	*Estee Lauder*	*2,2*
Rémy Cointreau	*0,9*	**Healthcare**	**2,1**
Diageo	*0,8*	*Adcock Ingram*	*2,1*
Investment HoldCo	**5,3**	**Entertainment**	**1,8**
Remgro	*3,9*	*Walt Disney*	*1,8*
Haw Par	*1,4*	**Home Improvement Products**	**1,7**
Food Retail & Distribution	**5,3**	*Italtile*	*1,7*
Pick 'n Pay Stores	*3,0*	**Chemical Manufacturing**	**1,6**
Spar	*2,4*	*Henkel*	*1,6*
		Agricultural Products	**1,3**
		Nutrien	*1,3*

With 44 individual fund holdings spread across 20 industry clusters, the Balanced Fund remains well diversified. Within a number of industry clusters there also exists significant diversity in respect of business models, products, and where they operate in the world.

Fund holding **Adcock Ingram** is currently under offer from a corporate acquiror.

The Balanced Fund remains meaningfully invested in quality undervalued South African listed businesses, but the underlying reality is best shown in the following pie chart of where the fund, seen as a whole, generates its operating business revenues from globally.

Pie Chart 1: Balanced Fund Sources of Business Revenues

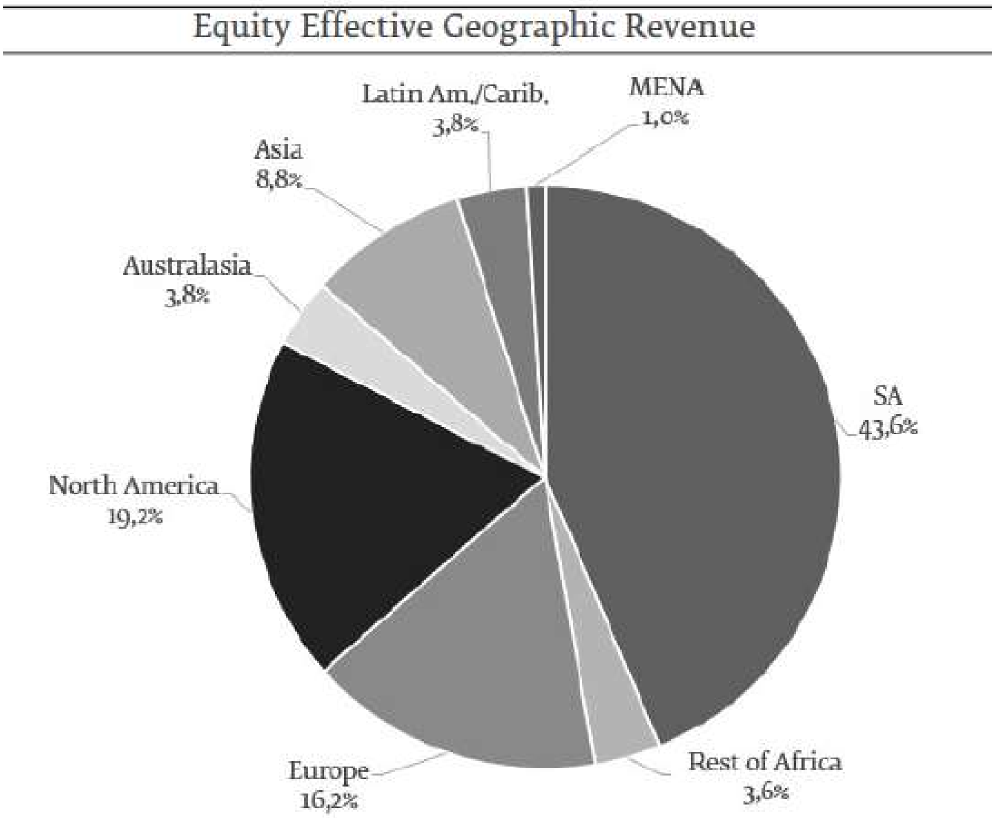


Table 1: Balanced Fund-Level Fundamentals

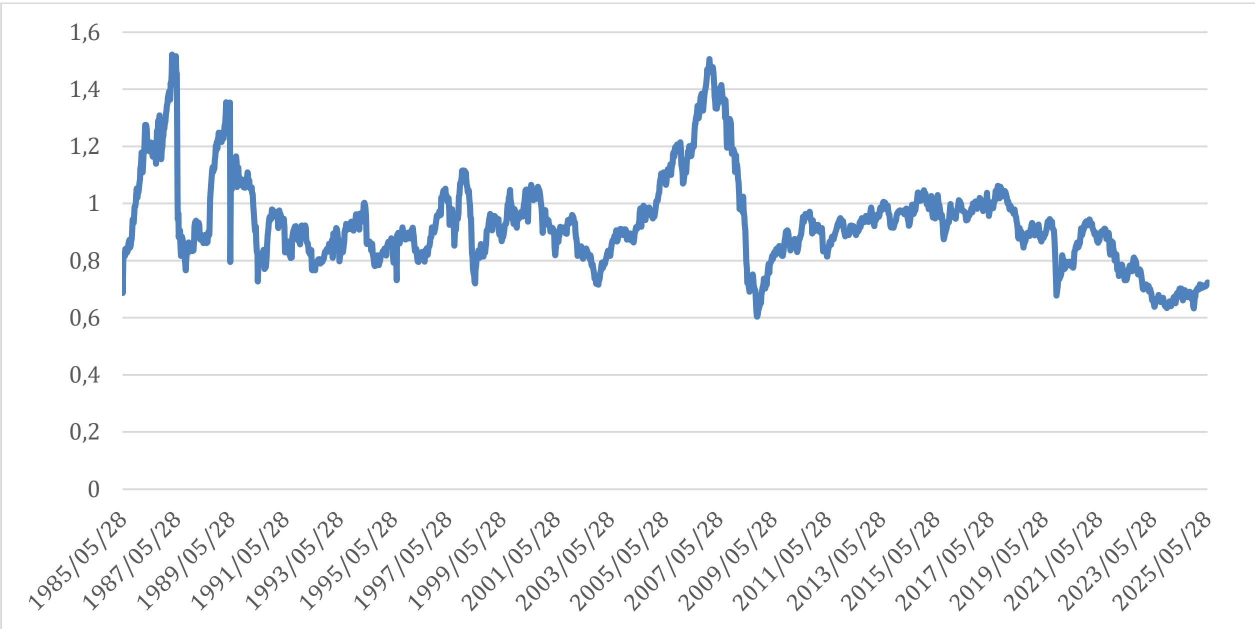
	2017	2018	2019	2020	2021	2022	2023	2024	2025
Normalised PE	9,9	9,5	8,8	8,4	9,6	9,0	11,6	10,9	11,0
Price to Book LT Median	1,50	1,28	1,43	2,16	2,21	2,39	2,50	2,60	2,90
ROIC LT median	14,6%	10,4%	11,5%	13,5%	15,3%	14,7%	18,0%	18,0%	19,0%
Net Debt / EBITDA	0,87	1,60	1,04	0,54	0,37	0,25	0,60	0,60	0,50

This year we are introducing a new fund-level insight. First, the definitions.

- 'Normalised PE' is the exposure weighted average of the normalized earnings power price to earnings multiple of all the fund holdings at each yearend.
- 'Price to Book LT Median' is the equal weighted average of the long-term median price to book multiple of all the fund holdings at each yearend.
- 'ROIC LT Median' is the equal weighted average of the long-term median Return on Invested Capital percentage of all the fund holdings at each yearend.
- 'Net Debt / EBITDA' is the equal weighted average of the latest available Net Debt to EBITDA ratio of all the fund holdings at each yearend.

Table 1 shows that all of the businesses taken together in the Balanced Fund are today more or less similarly priced in the markets as they were in the past, but the fund today consists of far higher quality businesses together with being more conservatively financed.

Graph 1: Balanced Fund Unitized Valuation Multiples



Understanding Graph 1 warrants a keynote summary as well as a technical explanation.

The core insight it provides is that the Balanced Fund as a whole is priced today in the markets at a generationally attractive entry point, about the same as it was during the lowest point over the past 40 years during the Global Financial Crisis in 2009.

<u>Here is the math and logic behind it</u>: Our team starts by identifying the most appropriate valuation multiple for each business and its industry, for example it might be a multiple of profits, book value, or sales.

Next, for each of the businesses we own in the fund today we derive its current valuation multiple in relation to its own 40-year history as a listed entity. If the current multiple is *lower* than its own historical average, then the resulting ratio will be less than 1 - implying that it is being undervalued. Please note that when this ratio is equal to 1 a business is still being priced in the markets to deliver the expected equity risk premium [a 5% expected real (after inflation) return]. This means that whenever this ratio is well below 1 it signifies potential deep undervaluation.

Finally, we combine all of the individual multiples into one single line that is also weighted by our actual current fund exposures per business. The central idea with this is to try to clearly show that (1) the fund as a whole is priced in the markets today at a ratio well below 1, implying that it is deeply undervalued, and (2) the level of undervaluation today is as attractive as it has been in the past 40 years.

The Perspective Executive Equity Prescient Fund

Industry Clusters & Businesses	% of Fund	Industry Clusters & Businesses	% of Fund
Food Production	**18,5**	**Construction & Infrastructure**	**7,3**
Tiger Brands	*6,0*	*Bell Equipment*	*4,4*
Astral Foods	*5,0*	*Wilson Bayly Holmes-Ovcon*	*2,9*
Rainbow Chicken	*3,8*	**Automotive Products**	**6,9**
RCL Foods	*3,7*	*WeBuyCars*	*4,6*
Mining	**13,8**	*Combined Motor Holdings*	*2,3*
Valterra	*4,9*	**Tobacco Products**	**5,8**
Kumba Iron Ore	*3,3*	*British American Tobacco*	*5,8*
Afrimat	*2,9*	**Investment HoldCo**	**5,5**
AECI	*2,8*	*Remgro*	*5,5*
Financial Services	**13,2**	**Healthcare**	**5,0**
Ninety 1	*5,3*	*Adcock Ingram*	*5,0*
JSE Stock Exchange	*4,6*	**Apparel & Accessories Retailer**	**4,6**
Coronation	*3,3*	*Pepkor Holdings*	*4,6*
Food Retail & Distribution	**8,6**	**Industrials**	**4,5**
Pick 'n Pay Stores	*4,3*	*Bidvest*	*4,5*
Spar	*4,3*	**Home Improvement Products**	**3,3**
		Italtile	*3,3*

With 23 individual fund holdings spread across 12 industry clusters, the Executive Equity Fund remains well diversified. Within a number of industry clusters there also exists significant diversity in respect of business models and products.

Fund holding **Adcock Ingram** is currently under offer from a corporate acquiror.

The Executive Equity Fund is fully invested in quality undervalued South African listed businesses, but the underlying reality is best shown in the following pie chart of where the fund, seen as a whole, generates its operating business revenues from globally.

Pie Chart 2: Executive Equity Fund Sources of Business Revenues

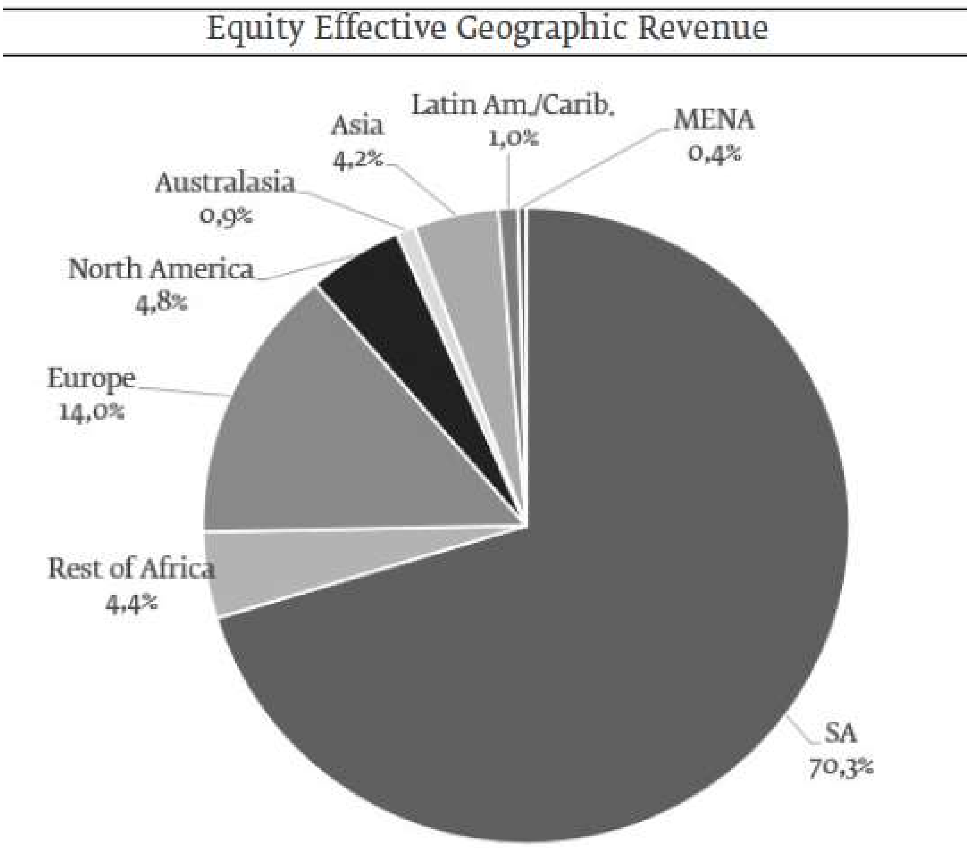
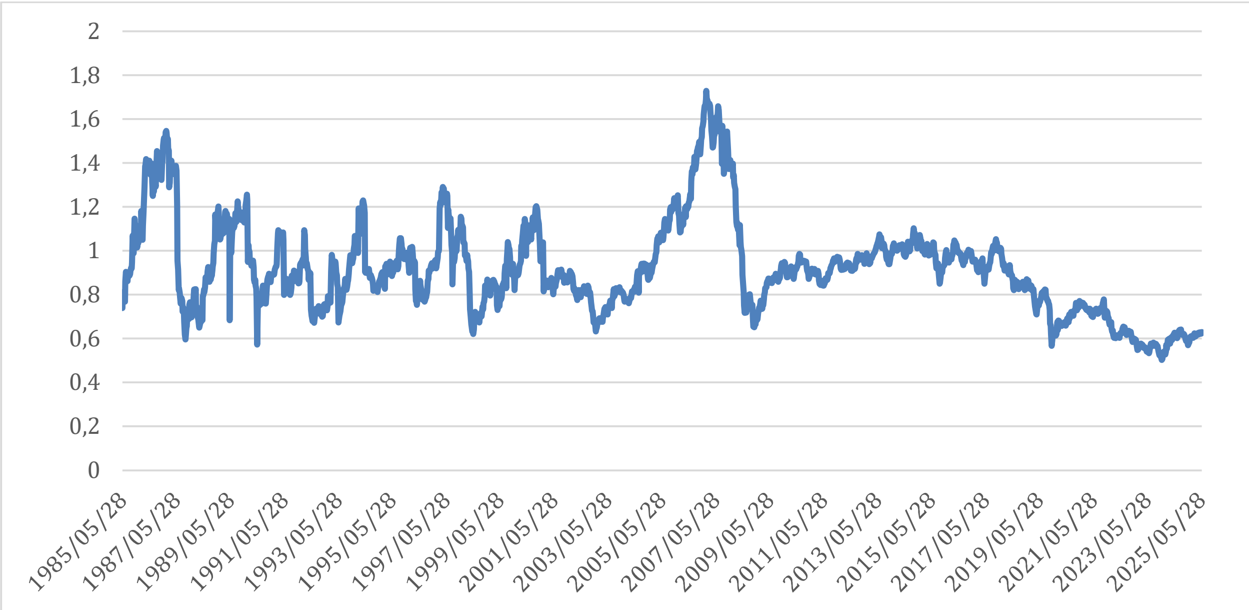


Table 2: Executive Equity Fund-Level Fundamentals

	2020	2021	2022	2023	2024	2025
Normalised PE	7,6	9,3	9,1	8,6	9,3	8,4
Price to Book LT Median	2,10	2,36	2,20	2,90	2,90	3,00
ROIC LT median	16,0%	17,1%	17,0%	22,0%	23,0%	24,0%
Net Debt / EBITDA	0,50	0,28	0,40	0,40	0,10	0,10

Table 2 shows that all of the businesses taken together in the Executive Equity Fund are today more or less similarly priced in the markets as they were in the past, but the fund today consists of far higher quality businesses and is more conservatively financed.

Graph 2: Executive Equity Fund Unitized Valuation Multiples



Understanding Graph 2 warrants a keynote summary as well as a technical explanation.

The core insight it provides is that the Executive Equity Fund as a whole is priced today in the markets at a generationally attractive entry point, in line with the low points and long-term investment opportunities available in the course of the last 40 years.

For the technical explanation, please refer to the comments provided in the Balanced Fund commentary on page 30.

7. FAQ & Answers

7.1 How does operating fund costs work in a unit trust?

A unit trust is a separately incorporated and regulated entity. There are ongoing fixed and variable operating costs, such as external audit, legal, and safe custody costs, as well as investment costs, such as transaction commissions, and related taxes. These costs are paid for by the unit trust and proportionately shared among all unitholders. The larger a fund's total assets are and the fewer transactions its fund managers execute results in lower operating costs for each unitholder.

Apart from operating fund costs, the other main cost in a unit trust is the portfolio management fees that is shared between the fund administrator and the fund manager for delivering administration, compliance, and investment management services.

7.2 Are there risks if the number of stocks listed on the JSE keeps declining?

The short two-part answer is we are far from having a serious structural money management problem in this regard, and there are sensible solutions and ways to mitigate and manage this potential risk with.

Even if we could only invest in JSE listed stocks, which is not the case in either of the unit trust funds we manage, we only need 15 to 25 sensible ideas to build robust portfolios with, and there are nearly 300 stocks listed on the JSE.

Each unit trust we manage can already invest up to 45% directly in offshore listed stocks. So, practically, we could easily maintain a fully invested Executive Equity Fund of 25 stocks of which 10 to 15 are listed on the JSE and the rest directly offshore. An additional consideration is that, in the event the JSE shrunk dramatically and permanently, the South African authorities would in all likelihood be forced to amend legislation to allow a lot more than the current 45% limit to be invested directly offshore.

For example, in Botswana there are no restrictions on direct offshore investments, in part because the Botswana stock exchange offers minimal liquidity to its citizens. The Botswana Stock Exchange reported BWP38,7mn of equity trades per day over the first 6 months of 2025 - that is just US$2,6mn per day across their entire exchange. On the JSE in South Africa, pretty much any single one of the top 40 stocks alone trades US$5mn worth or more on a daily basis.

There have been 4 cyclical factors contributing to the shrinking number of JSE stocks over the past 30 years.

The first is global in nature given massively increased governance and reporting requirements and related compliance costs for all listed companies. The management of Boxer, which recently listed on the JSE, disclosed their estimated costs of being listed is R32mn - *every single year*!

Secondly, irresponsible behaviours by too many market participants, and that go unchecked, have contributed to heightened ownership and executive frustration levels with being part of a listed company. Unsurprisingly, the world market has been shrinking in terms of the number of listed stocks - this despite all-time high valuation multiples for the indices which in previous cycles resulted in net new listings as the insiders cash out.

Thirdly, a local factor is that the serious uncertainties and lack of economic growth created by the political leadership of South Africa have contributed to the persistent deep undervaluation of many JSE listed companies. In turn, this resulted in two outcomes: nobody wants to list their business given low valuation multiples and lack of investor interest, while control owners, corporate acquirors, private equity companies, and insiders have been bargain-hunting on the JSE for opportunistic acquisitions, which then become private and delisted from the JSE - unlikely to return any time soon.

Lastly, but certainly not least, artificially low levels of interest rates combined with excessive risk-taking appetite resulted in large amounts of global capital being available for investing in unlisted companies. For the owners of unlisted companies there is no real need at this time to tap the stock markets for funding growth projects or for exiting.

7.3 What are the impacts of the latest global tariffs?

Dramatic and unpredictable shifts in tariff policies and the potential for a protracted global tariff war make for great media headlines because they garner attention.

We decided, long ago, to rather invest our time and energy to identifying and investing with businesses and leaders that have proven track records of entrepreneurially like-minded behaviours. We pay particular attention to their observable actions during the toughest times. They exhibit resilience to setbacks, grit in slugging it out, and adaptability to solve problems and pursue new opportunities. We then trust but verify that these special businesses and leaders continue doing as they have always done.

At the micro-level in South Africa, we could not identify many listed companies that we consider seriously impacted by potentially sustained and overly aggressive US tariffs. At the micro-level of individuals, business, and community, we are extremely concerned for everyone involved in the South African manufacturing and agricultural value chain exporting predominantly to the US. With our country's repeated political own goals resulting in massive unemployment, the highest in the world of any country not fighting a war, every single job and every single business is a precious lifeline that provides money, hope, purpose, and dignity to an entire family and community.

Many financial investment analysts only work with spreadsheets in airconditioned glass towers in big cities. The worst thing that might happen to them is a papercut. They would struggle to see or understand that it is an exceedingly complex, expensive, time-consuming, and risky matter for an exporter to switch to different geographies with different time zones, relationships, customs processes, tax regimes, legal codes, currencies, payment terms, cultures, languages, ethics, logistics, customers, suppliers, and competitors. South African businesses already grapple for survival daily with a difficult and openly hostile anti-business environment, so these kinds of external additional setbacks are a tall order.

7.4 What are the impacts of AI technologies?

Jeff Bezos is one of the smartest and best informed business entrepreneurs in the world. He believes AI is a technology that will impact every industry in the world and create opportunities and risks. We wholeheartedly agree.

Again, we trust but verify that the proven entrepreneurial leaders of the businesses we own in our funds have been busy learning for years about the opportunities and risks posed by this new technology, and have been thinking about how best to use it to protect and grow the value of the businesses they lead.

At a micro-business level, we have already seen opportunities for some of our portfolio businesses involved in building and operating the vast infrastructure that AI runs on to benefit. We also see opportunities for all of our portfolio businesses to significantly increase their productivity and efficiency.

For Perspective itself, AI is a potential opportunity to continue leveraging technology across our firm wherever it is sensible to be doing so - particularly in certain aspects of investments and our business operations. However, when it comes to human-centric matters like our leadership assessments and stakeholder relationships, we think it will be wisest to deliberately continue as before with our 'analog' in-person and measured approach. There is durable long-term value to be gained from authentic interactions in person, by deliberately slowing way down, and by learning from each other about business and life without the presence of any technology.

We think that the more easily technology sources digital information to provide answers, the more truly intelligent and wise people will begin to focus on blocking and hiding their original work from being digitized. One of the biggest risks we think about is the ability of digital technologies on billions of devices all around us nowadays to eavesdrop on most of humanity's most intimate and confidential conversations - be it on a videocall, phone call, texting, carrying a smartphone or simply wearing earbuds or anything else with embedded microphones, at a sports event, or in the car, pub, boardroom, or bedroom.

Perhaps we should more seriously consider making Afrikaans our internal investment process language. After all, according to Charlize Theron, there are only 44 Afrikaans speakers left in the world, at least half of which have emigrated to the United States of America as refugees, so presumably AI might still take a long time to decipher it. The Springboks figured this nifty trick out over 100 years ago already.

7.5 Is the US Dollar decline of concern to us?

The short answer is no.

Our focus is on selecting great stocks to own in our funds, meaning great businesses at great prices. Also, as truly long-term owners of businesses, changes in the currency markets tend to smooth out over time to an inconsequential impact relative to the fundamentals of the businesses we own.

Many of the global businesses we own, even ones that report their financials in US Dollars, are truly internationally diversified entities, with products and services produced and sold all over the world. The US Dollar Currency Index moved between an average low of 85 and an average high of 105 over the past 40 years, averaging about 95. So that is only about a 10% degree of change from the average to its low or high points.

In contrast, we found the typical degree of change in the long-term business fundamentals and valuation multiples of listed companies is not only far higher, but it also presents as a-symmetrical. It cannot ever decline by more than 100% from the average, but it can increase to many multiples of 100% above the average. A slightly less math nerdy way of saying this is that the price to book multiple of a construction company like Wilson Bayly Holmes Ovcon that averaged 2x since 1997 have tended to bottom out at 1x, but instead of symmetrically peaking at 3x it reached 7,5x in the industry boom years of the mid 2000's.

Our point is to illustrate the importance of focusing our efforts on researching and thinking carefully about reliably researchable investment factors with the greatest potential impacts on our portfolio businesses and funds. We do not observe or consider the short-term ups and downs of the US Dollar or any other reasonably stable currency as particularly high impact on the businesses we own for the long-term or on our funds as a whole.

7.6 Can we anticipate strong or weak short-term fund price performance?

The short answer is no.

We have no knowledge of, control, or influence over the decisions and actions of millions of market participants from all over the world. It is their collective actions that determine in which direction and by how much exchange traded asset prices change.

Consider the historical yearly results of the change in the unit price plus dividends of the Executive Equity Fund as an example. It delivered +41% in 2021, -0,5% in 2022, +10,5% in 2023, +28% in 2024, and -3% year to date in 2025. We had no clue in advance which of these individual years would be up or down, or by how much.

The things we do have control over are our commitment to focus on the underlying business fundamentals of the assets we own in our funds, and our ability to act rationally on occasions when their market prices provide sensible opportunities to transact.

What we know for sure is that, over time, stock prices follow underlying business fundamentals and values. Our experience and market case studies informs us that 'over time' means about 3 to 5 years.

8. Our Expanded Capabilities

There is a lot more going on at Perspective than is readily visible on the surface. Our annual letters and our website have mainly focused on our unit trust funds. After 9 years of investment in active listening to fund investor needs, independent research and development, and establishing proof of concept, we feel now is the right time to introduce our expanded capabilities.

Perspective is resourced to support you to better understand and implement any of these options. We also have a number of individual and institutional long-term fund investors that committed to providing independent references of their experiences of our firm's capabilities, on request.

Above the Surface i.e. Publicly Visible:

Perspective Unit Trusts

We manage 2 unit trust funds, domiciled in South Africa. They are publicly visible because our industry regulator requires that we publish a quarterly Minimum Disclosure Document [MDD] on our website.

The Perspective Balanced Prescient Fund launched in September 2017, and the Perspective Executive Equity Prescient Fund launched in October 2020. They are managed to two distinctly different mandates, their composition and results vary considerably, and they are used in different ways by sophisticated individual and institutional fund investors to complement their overall investment solutions.

The Balanced Fund has a R10,000 lumpsum or R500 per month by debit order minimum investment amount, whereas the Executive Equity Fund has a R1mn lumpsum minimum investment amount.

Their similarities are that they are managed by the same team applying the same proven long-term value investment approach, and their portfolio management fees and other operating costs are similar.

Table 3: Ways that Individual Investors can invest in Perspective Unit Trusts

Life Stage	Investment Vehicle	Options	Available Fund
Before Retirement	Direct Investment	Start New	Perspective Balanced Prescient Fund
	Tax Free Savings Account (TFSA)	Start New / Transfer existing	Perspective Executive Equity Prescient Fund
	Retirement Annuity (RA)	Start New / Transfer existing	Perspective Balanced Prescient Fund
	Pension/Provident Preservation Fund		
During Retirement	Direct Investment	Start New	Perspective Balanced Prescient Fund
	Tax Free Savings Account (TFSA)	Start New / Transfer existing	Perspective Executive Equity Prescient Fund
	Living Annuity	Use RA / Preservation to Start New	

Table 3 outlines the wide range of options available to individual investors.

Below the Surface i.e. *Not* Publicly Visible:

Investment Communication Content

We do our own work and we think for ourselves. As a result, we produce an extensive amount of originally conceived thought and communication about investment and business topics. Only a fraction of this content have ever been made available to the public, which will deliberately become even further limited before it will eventually disappear entirely. Our *fund investors* will continue being the primary beneficiaries of all our hard work - not our competitors, any freeloaders, or our own ego's!

Annual Letters - Our only long-form written notes, once a year, since 2017.
Perspectives - Short written notes, on average 15 a year, since 2017.

Beyond The Numbers - Short written notes, ad hoc, since 2024.
Fund Capital Allocation Factsheets - Fund-level fundamentals, quarterly, since 2023.
Fund Performance Factsheets - Fund performance insights, quarterly, since 2023.
Ringside With Perspective Vlogs - Short videos profiling holdings, monthly, since 2024.
Bits & Pieces Vlogs - Short videos profiling selected insights, quarterly, since 2025.
Tutorial Vlogs - Short videos to support fund investors, ad hoc, since 2025.

Tweedy Browne International Value Fund – Luxembourg UCITS

Over the past 22 years our founders established and slowly built a durable long-term professional relationship with a respected 105 year old multi-generational owner-managed value investment firm called Tweedy Browne Company LLC ("Tweedy Browne") in the United States of America. This relationship has culminated in a formal business development partnership in South Africa, whereby Perspective partakes in a percentage of the future portfolio management fees on investor assets raised and managed by Tweedy Browne that originates in South Africa.

We are deeply honoured to be in business partnership with Tweedy Browne. Our respective firms are like-minded in respect our values, ethics, governance standards, and long-term value investment approach. Our respective investment management processes and the way we manage our own businesses are done independently.

Tax Free Savings Accounts

The South African government authorities wisely created a tax-free savings account [*TFSA*] dispensation for South African citizens investing in unit trusts – provided they use unit trusts that do not charge performance fees. Both of our unit trusts qualify for TFSA purposes. This means you can transfer from your existing investments [*including any existing TFSA investments*] or invest R36,000 per tax year up to a maximum lifetime contribution at cost of R500,000, per direct family member - which includes yourself, your spouse, each child, and each grandchild.

We have done our homework and it is clear this is an attractive and legal mechanism. No tricks, no nonsense, and at no extra costs. The compounding impact over a longer time frame such as 25 years or longer is very meaningful. For some or other reason we keep finding people that seem to be unaware of and not pursuing it, this despite it not being a significant additional administrative burden. Perspective is sufficiently resourced to support you in this regard.

South African Bespoke Mandates

We offer and manage bespoke portfolios of South African assets for individual and institutional investors who prefer a closed end portfolio under signed mandate. The assets are held in safe custody by an independent South African custodian in their own names. In addition, we work with a scale South African administration business partner to ensure it is a tax-compliant and cost-effective solution, together with excellent personal support.

This solution also provides opportunities for customizable and specialized investment mandates. For example: a focus on regular yield producing assets; or a far more concentrated portfolio which suit the needs of some investors who are familiar and comfortable with the associated risk profile and short-term performance volatility.

To ensure competitive costs and given significant additional workflows on our part, we apply a R10mn minimum investment amount.

Global Bespoke Mandates

We offer and manage bespoke portfolios of global assets for individual and institutional investors who prefer a closed end portfolio under signed mandate. The assets are held in safe custody by an independent global custodian in their own names. In addition, we work with a scale global administration business partner to ensure it is a tax-compliant and cost-effective solution, together with excellent personal support.

This solution also provides opportunities for customizable and specialized investment mandates. For example: a focus on regular yield producing assets; or a far more concentrated portfolio which suit the needs of some investors who are familiar and comfortable with the associated risk profile and short-term performance volatility.

To ensure competitive costs and given significant additional workflows on our part, we apply a US$1mn minimum investment amount.

Investment Products Cost-Benefit Analysis

We routinely encounter a garden variety of investment products in the broader financial services industry exhibiting one or more of (a) charging grossly excessive fees, much of which is extremely complex or difficult to even identify, (b) fine print penalties and liquidity restrictions, (c) poor and unexplained long-term investment performance, (d) underwhelming customer care, and (e) underwhelming or no personal service.

Some of our fund investors were deeply unhappy with their incumbent financial service providers and could not find credible answers to their questions. On their request we created, from first principles, and refined an analytic framework with which we can do the work to figure out, support, and empower you to fully understand what you have, its performance, what it truly costs, identify key risks and liquidity restrictions, and if it can provide the financial outcomes and quality support that you seek, expect, and deserve.

Our actual cost-benefit case studies resulted in fund investors saving 1,5% to 2% or more per year just in their costs. Compounded over the long run this sort of cost saving is a hugely significant positive impact. In addition, they can better understand how their investments work, which are the key questions to ask, of whom to ask it of, and which answers to demand of all their financial service providers.

Ringfenced Donations

Some of our fund investors wished to donate capital to family members that might not possess the interest, knowledge, experience, or connections to manage a lumpsum donation on their own. On their request we created, from first principles, and refined a solution that ensures the safeguarding of their capital donation and the responsible management of its redemptions to support the living expenses over the future lifetime of the current and future named beneficiaries.

This solution can also be considered for other forms of philanthropy. For example, donating to charities, endowments, educational institutions, or the performing arts.

Business Solutions

On request by some of our fund investors who own or manage businesses, we have created, from first principles, and refined practical solutions to a few important strategic long-term considerations in their businesses.

Apart from the value of these solutions to them, our firm and investment process also benefits from further growing our network and knowledge of how businesses and industries work and their real-world challenges and opportunities.

Our business solutions include:

- Capital Reserves & Liquidity Management
- Independent Consulting Services
    - Business Valuations
    - Business Transactions Analysis and Support
    - Structuring Market Listed Exposures

9. Perspective Business Update

Every business - no matter how big, and in any industry and country - at a point in its history was started from scratch. In 2015, Perspective was nothing more than a dream consisting of handwritten principles in a notebook.

A fully committed group of like-minded entrepreneurial people came together over the past 10 years to design and build Perspective. Along the way we passed and acknowledged many key milestones. We also encountered and overcame a number of severe and unexpected setbacks - in our firm and in our personal lives.

Our shared firsthand experience in the trenches as the first generation of business builders of Perspective is of vital importance. Together we forged the culture and values of our firm. Now we all have a shared responsibility to protect and preserve our culture and values so that it endures over multiple future generations.

An expected benefit of our origins has unfolded as our team grew together in our knowledge of and respect for what it *really* takes to build durable business value from scratch in an extremely competitive global industry and in a country where only the toughest survive and thrive.

This benefit is revealed to us with every engagement with our stakeholders. For example, asking questions with an entrepreneurial mindset of the business leaders at the businesses we own and at those we admire and follow. Or seeking to actively listen to and learn from our fund investors' entrepreneurial and life experiences.

Perspective belongs to its founding families and team members. We will *never* have any outside shareholders. Our independence, integrity, and long-term value investment approach is sacrosanct and not negotiable. Our firm will *never* be for sale. We designed every square inch of it to be an authentic representation of who we are, what we stand for, and how we wish to show up in life.

We created traditions with deeper meaning, one of which is to blow a hooter in Cape Town [*the one in Canada is a Mallory Duck call*]. It signals not only our continued growth, but also our acknowledgement and acceptance of our increased fiduciary responsibility and the level of trust placed in us by every fund investor adding to your investments and every new fund investor placing some or all of your life savings under our care.

Each of our 3 hooters of various sizes, shapes and sounds have their own special origin story. Two of our portfolio managers were in the beautiful little town of Clarens in the eastern 'Vrystaat' on a national research road trip in the Perspective Scuttlebutt Rover 1 [*diesel, of course*] during the Covid pandemic lockdown. We found a rather large brass hooter [*on sale, of course*] in an antique store, and decided there and then that '*We're gonna need a bigger boat*'. Making it emit sounds is an endless source of fun for our sub-adult visitors - and also many of the adult ones.

The following table compares our firm in December of 2017, after exactly 1 year in business, with what it is today.

Perspective	Dec 2017	Today
Years in Business	1	9
Firmwide Assets Under Management	R5,07mn	Over R1,2bn
Number of Fund Investors	7	211
Fund Investor Description	Individual Investors Only	Individual and Institutional Investors
Operational Team Members	4	6
Continental Locations	1	3
Number of Unit Trusts	1	2
Length of Public Track Record	4 Months	8 Years
Number of Bespoke Mandates	0	6
Size of Cape Town HQ Offices	90 square metres	163 square metres
Number of Hooters	1	3
Perspectives' Private Distribution List	45 People	493 People
Number of Published Perspectives	2	130
Intern & Apprentice Alumni Network	0	12
Annual Letters Published	0	8

We know exactly where we came from because we were there to experience every step of it, starting with that notebook in 2015.

We will never forget the early fund investor who, upon seeing the December 2017 Balanced Fund MDD, asked somewhat incredulously '*Is there not a few zero's missing in that total amount of assets under management?*', before still going ahead and investing R1mn. That investment increased our firmwide assets under management at the time by nearly 20%. Thank you again.

We will never forget the investors who called right in the worst part of the Covid pandemic and lockdown simply to check if we and our families were safe and to tell us to keep our chins up. Thank you again.

We will also never forget the institutional investor who told us when they invested at the outset that we can count on a minimum 10-year commitment to help us retain our core focus on long-term thinking and investment decision-making. Thank you again.

These stories, of which there are *many* more and with new ones being added regularly, have become part of the origin lore of Perspective. Like the ancient traditions of the world, we also record, preserve, and retell our stories around our hearth. They keep us grounded to our core values; they remind us where we have come from; and they keep us focused on where we are going and on those coming with us.

Our work continues...

You have reached the end of our 2025 Annual Letter!

Please let any of us know what you thought of it, what you liked, and what you did not like. There is *always* room for improvement.

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General Disclaimers

Perspective Investment Management (Pty) Ltd is an authorised financial services provider (FSP 47672). Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance.

CIS's are traded at the ruling price and can engage in scrip lending and borrowing. A schedule of fees, charges and maximum commissions is available on request from the Manager. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. There is no guarantee in respect of capital or returns in a portfolio. Performance has been calculated using net NAV to NAV numbers with income reinvested. The performance for each period shown reflects the return for investors who have been fully invested for that period. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestments and dividend withholding tax.

Full performance calculations are available from the manager on request. Annualised performance shows longer term performance rescaled to a 1-year period. Annualised performance is the average return per year over the period. Actual annual figures are available to the investor on request. Highest and lowest investment returns for any 1 year over the period since inception have been shown. NAV is the net asset value that represents the assets of a Fund less its liabilities. All fund data is drawn from Eagle Investment Systems LLC, as of 30 September 2025.

Prescient Management Company (RF) (Pty) Ltd is registered and approved under the Collective Investment Schemes Control Act (No.45 of 2002). For any additional information such as fund prices, fees, brochures, minimum disclosure documents, and application forms please go to www.prescient.co.za.

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Unless otherwise indicated, all market data is drawn from Refinitiv.

Perspective team members made all calculations.

Any errors are entirely our own.