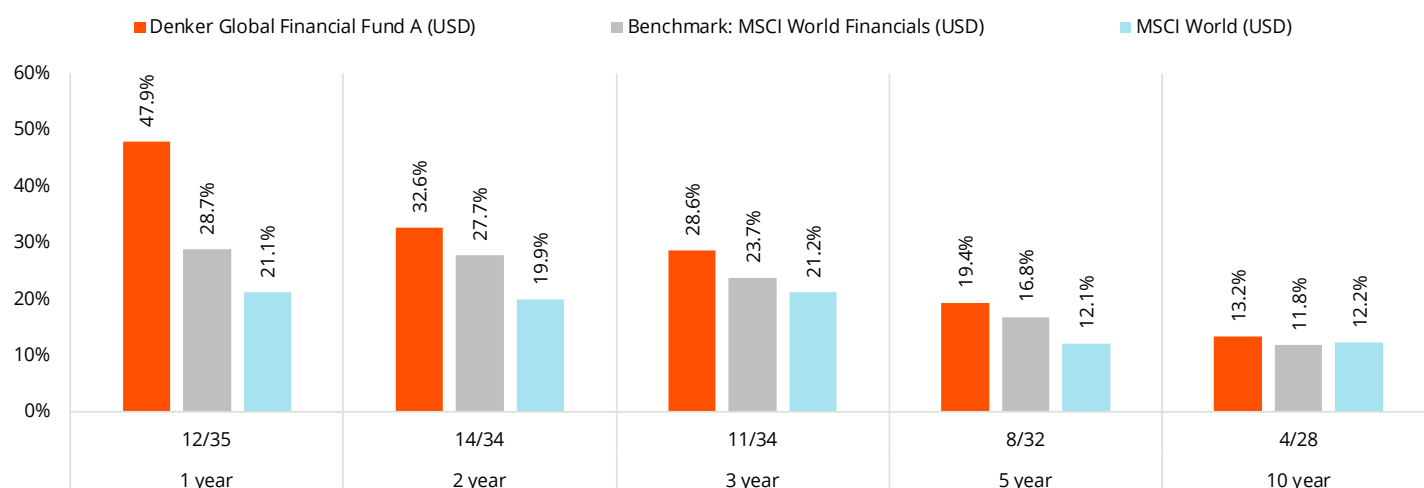


The **objective of the portfolio** is to provide long-term capital growth by investing in financial companies from around the world. These include banks, insurers and other financial services.

Annualised performance since inception (USD): 31 December 2025



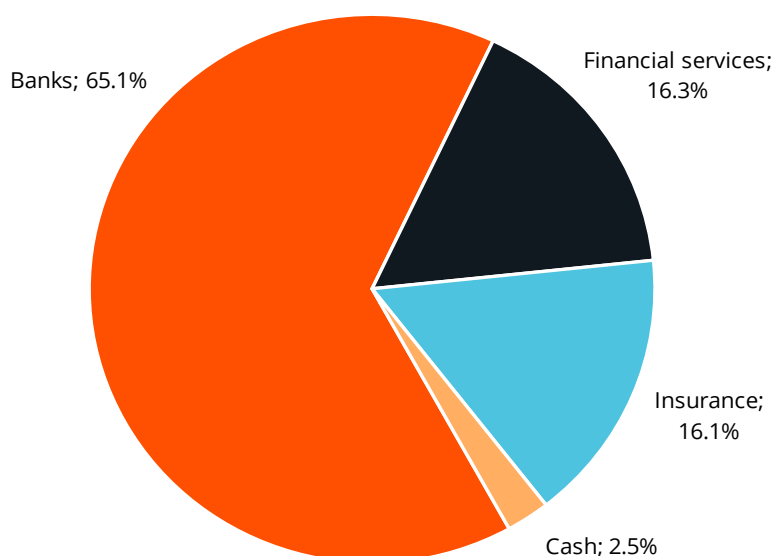
Source: Morningstar, Denker Capital. Returns are net of the A class fees of 1.25%. Returns for periods shorter than one year are cumulative. Inception date: 5 October 2004. The highest annual return in the last 10 years was 47.9% and the lowest was -17.2%. These are based on a calendar year period over 10 years.

Portfolio summary: 31 December 2025

Top 10 holdings

Company	Geography	% of portfolio
US Bancorp	US	5.2%
Citigroup	US	3.9%
Erste Bank	Europe	3.6%
HSBC	UK	3.5%
Bank of America	US	3.4%
Regions Financial	US	3.3%
Lancashire Holdings	UK	3.2%
Barclays PLC	UK	3.1%
Renaissance Re	US	2.8%
Bawag Group	Europe	2.7%

Sector allocation



Source of holdings data: Denker Capital, Factset, 31 December 2025.

Market review

Global markets delivered attractive returns to investors in 2025; despite a barrage of news that one would ordinarily associate with more risk aversion and lower returns. The MSCI All Country World Index in US dollars gained 22.3%, the MSCI Emerging Markets Index gained 33.6% and the MSCI South Africa Index (assisted by rand strength and a run in precious metals) gained 77.3% in US dollars. The JPMorgan Global Bond Index gained 6.6% while the JPMorgan Cash Index return lagged at 2.5%. US equities delivered another strong performance gaining 17.3% but lagged returns in Europe (35.4%) and the UK (35.1%).

Gold had another exceptional year, gaining 13.1%, 27.2% and 64.4% in 2023, 2024 and 2025. Newspapers from Sydney to New York reported how people were queueing outside gold exchanges to either buy gold coins or sell old jewellery. Emerging market central banks have been consistently acquiring physical gold to diversify their foreign exchange reserves following the sanctioning of Russian reserves in the wake of the Ukraine invasion. Institutional investors are seeking to diversify their dollar assets amid concerns about US fiscal and monetary policy. The Bank for International Settlements (BIS) in a recent analysis cautioned that “a widely used statistical test to detect the explosiveness of a price process suggests that both the S&P 500 and the price of gold have entered explosive territory in recent months.”

Continued strong performance

It was an exceptionally strong year for the Denker Global Financial Fund. Over the 12 months to 31 December 2025, the fund (A class) returned 47.9%, significantly outperforming the MSCI World Financials Index, which gained 28.7%. Performance was also strong over the past three months, with a return of 10.3% versus the benchmark's 4.8%, reflecting both favourable sector conditions and strong stock selection.

We wrote extensively in our commentaries during the year on why the fund was performing and why we thought the performance was sustainable. In summary, the fund did well due to a strong re-rating of banks globally, especially in Europe, as well as investment banks in the US. Fundamentally, the re-rating was due to the new higher level of returns on equity. However, there were a few other factors: (1) the fact that interest rates were not lowered as much as anticipated (lower interest rates being good for growth, but too low interest rates squeeze margins); (2) the low valuations at the beginning of the year; and (3) the stable macro environment, despite all the political turmoil.

For the 12 months the top five performers were Erste Bank, Citigroup, Bawag, National Bank of Greece and HSBC (generating an average return of 71.55% for the 12 months). For the quarter to December 2025 the top seven were Shriram Finance (India), generating a return of 58%, and Barclays, IG Group, Erste Bank, Raiffeisen, Lion Finance and VersaBank all delivering in excess of 20%.

Shriram re-rated strongly as a result of MUFG (largest Bank in Japan) buying a 20% interest in it, the others were on the back of continued good results (and of course their attractive valuations). The names mentioned above demonstrate both the wide coverage of the fund and the extent of diversification. In addition, quite a few of the investments will not be known to most investors - highlighting the team's in-depth knowledge of the sector.

Contributors and detractors

The fund could have generated a return exceeding 60% over the past 12 months, but we consciously avoided the concentration risk that would have accompanied such an outcome. As a result, the main detractor was largely the result of the decision to diversify risk. Amongst the larger investments that disappointed in terms of investment return were Progressive, Arch, Renaissance Re, Lancashire, Chubb and then US Bancorp. All of them became overvalued towards the end of 2024 so we did start reducing the size of the investments. US Bancorp is the only bank in this group and the rest are property and casualty insurers. US Bancorp lagged because investors were more interested in banks that benefit directly from the US bull market (investment banks such as JP Morgan, Bank of America, etc). In contrast, US Bancorp is too conservative but nevertheless grows its shareholder value at a higher rate. The growing shareholder value and static share price made it increasingly attractive, so we kept adding to our position during this period of weakness.

For the insurers, the premium cycle peaked at the end of 2024, flattened and then inverted during 2025. As mentioned, we did reduce the positions but in hindsight could have reduced them further. However, an important factor was the decision to keep them in the portfolio as a diversifier against the always-present risk of unexpected large events which would affect bank shares more negatively (over a short period) than insurers.

Changes to the portfolio

No large changes were made during the quarter, except trimming shares that had run hard. The proceeds were used to invest in shares like VersaBank (very interesting small cap that we met with in Canada) and Progressive and Keycorp that had lagged. Following our meeting with Halyk Bank of Kazakhstan at the Woods conference in December, we made a small investment in the bank. The bank has an excellent track record exceeding 25 years and continues to offer a dividend yield of around 13%, due to the politically unstable region. Together, this, the low valuation and the small position size help to compensate for and protect investors against the political and currency risk.

Outlook

The fund has performed well over the past five years (from the very low Covid-19 base) because of strong re-rating and the benefit of a confluence of factors - mostly the focus of management teams on lowering operational expenditure and continued low bad debts. 2025 itself saw re-rating, especially in the EU and UK, but also the US investment banks. In addition, our global financials team added alpha with good stock selection.

Loan growth is picking up again and we expect AI and continued digitalisation to enable banks and insurers to continue to control and lower operational costs. Bad debts remain low and continued higher interest rates should enable the banks and insurers to maintain the high (maybe even higher) returns on capital.

Whilst the US investment banks have generally re-rated to being marginally above fair value, many banks across the globe (and especially in emerging markets) remain mispriced. Additionally, the insurers have de-rated considerably, making them attractive again. Finally, the team is continuously searching for new higher growth winners and/or laggards.

I'm confident in the fund's ability to deliver satisfactory performance over the next few years, as it has done over the past 21 years.

Kokkie Kooyman

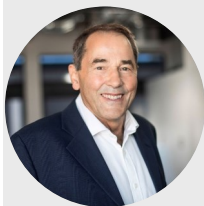
Portfolio manager

Notes: The returns included above are in US dollar terms.

In line with our focus on longer-term investing, our investment commentary will be provided quarterly going forward.

The fund is managed by a strong and experienced team with a track record of finding good investment opportunities

Portfolio manager with over three decades of experience in good and bad market cycles:



Kokkie Kooyman

Portfolio manager

B.Comm. (Honours), CA(SA), Higher Diploma in Education

Experience: 37 years

Kokkie is responsible for managing the award-winning Denker Global Financial Fund and its rand-denominated feeder fund. In 1989 he joined Old Mutual where he filled various investment management roles over 10 years, the last being Head of the Financial Services Sector. From 1999, Kokkie spent five years managing the local and global financial funds at Coronation Fund Managers. He established SIM (Sanlam Investment Management) Global in 2004, which merged with SIM Unconstrained Capital Partners to form Denker Capital.

Kokkie has received the prestigious UK-based Investment Week's Fund Manager of the Year award four times (2010-2013) in the financials category. The funds that Kokkie has managed over the years have received a range of industry awards. These include a Morningstar award for the Denker Global Financial Fund as well as Raging Bull awards for the Nedgroup Investments Financials Fund and the Denker SCI Global Equity Feeder Fund (the South African-registered feeder fund for the Denker Global Equity Fund).

Equity analysts who are passionate about discovering opportunities and are personally invested:



Barry de Kock

M.Comm., CFA®

Global insurers and LATAM

Experience: 15 years



Ben Kooyman

B. Accounting (Honours), CA(SA)

Developed market banks

Experience: 12 years



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The Denker Global Financial Fund is a sub-fund of Sanlam Universal Funds Plc, a company incorporated with limited liability as an open-ended umbrella investment company with variable capital and segregated liability between sub-funds under the laws of Ireland and authorised by the Central Bank. The Manager of the fund is Sanlam Asset Management (Ireland) Limited (Beech House, Beech Hill Road, Dublin 4, Ireland, Tel + 353 1 205 3510, Fax + 353 1 205 3521) which is authorised by the Central Bank of Ireland, as a UCITS Management Company, and an Alternative Investment Fund Manager, and licensed as a Financial Service Provider in terms of Section 8 of the FAIS Act. Sanlam Collective Investments (RF) (Pty) Ltd is the South African Representative Office for these funds.

The Sanlam Universal Funds Plc full prospectus, the fund supplement, the minimum disclosure document (MDD) and the KIID are available free of charge from the Manager or at www.sanlam.ie. This is neither an offer to sell, nor a solicitation to buy any securities in any fund managed by us. Any offering is made only pursuant to the relevant offering document, together with the current financial statements of the relevant fund, and the relevant subscription/application forms, all of which must be read in their entirety together with the Sanlam Universal Funds Plc prospectus, the fund supplement the MDD and the KIID. No offer to purchase securities will be made or accepted prior to receipt by the offeree of these documents, and the completion of all appropriate documentation. A schedule of fees and charges and maximum commissions is available on request from the Manager. Deemed authorised and regulated by the Financial Conduct Authority. The nature and extent of consumer protections may differ from those for firms based in the UK. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website. (Notes 1, 3 and 4)

Source of performance figures: Morningstar. Returns are annualised and net of fees unless otherwise stated. Annualised returns are returns for a period that are scaled to one year. Returns for periods shorter than one year are cumulative. Collective investment schemes are generally medium- to long-term investments. Please note that past performances are not necessarily an accurate determination of future performances, and that the value of investments / units / unit trusts may go down as well as up. Changes in exchange rates may have an adverse effect on the value, price or income of a product. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. Collective investments are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. Lump sum investment performances are quoted. The portfolio may invest in other unit trust portfolios which levy their own fees, and may result in a higher fee structure for our portfolio. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 (CISCA). The portfolio management of all the portfolios is outsourced to financial services providers authorized in terms of the Financial Advisory and Intermediary Services Act, 2002.

Denker Capital is an authorised Financial Services Provider (FSP 47075). See www.denkercapital.com/company/ for directors.

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