Denker Global Financial Fund

A sub fund of Sanlam Universal Funds plc
Class A USD

Minimum disclosure document
(fund fact sheet)

31 December 2025

Fund objective

The Fund aims to achieve steady growth in the value of investments, primarily by investing in financial companies* from around the world.

Investment style

The Fund utilises its database and long experience of the financial sector to invest in financial companies* with the search focused on companies that have a good track record of growing their net worth, whilst maintaining the discipline of investing only when they are mispriced.

Asset allocation as at month end

Top 10 holdings

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%

Asset allocation

Equities	97.5%
Cash	2.5%

Geographical breakdown

US	41.0%
Europe	23.6%
UK	19.4%
Asia	6.6%
Latam	3.8%
Canada	3.1%
Cash	2.5%

Sectors

Banks	65.1%
Financial Services	16.3%
Insurance	16.1%
Cash	2.5%

Key facts

Fund inception	8 April 2004
Benchmark	MSCI World Financial Index NR
Portfolio manager	Kokkie Kooyman
Base currency	US Dollar
Fund type	UCITS
Domicile	Ireland
Fund size	$132 million
Unit price	$83.0792
Minimum investment	$1 000
Class inception	5 October 2004
Distribution	This fund does not distribute. Income is automatically added to the NAV.
Morningstar category	Sector Equity Financial Services
ISIN	IE00B0S5SM41
SEDOL	B0S5SM4
Bloomberg	SANGLOA ID

Performance summary (in USD)

	Denker Global Financial Fund	Benchmark: MSCI World Financial Index NR
Annualised performance		
1 Year	47.9%	28.7%
3 Years	28.6%	23.7%
5 Years	19.4%	16.8%
10 Years	13.2%	11.8%
Since inception	10.4%	6.2%
Cumulative performance		
YTD	47.9%	28.7%
Since inception	710.1%	258.5%
Actual annual performance		
Highest annual return	47.9%	
Lowest annual return	-17.2%	

Based on a calendar year period over 10 years (or since inception where the the performance history does not exist for 10 years).

Source of all performance figures: Morningstar and Denker Capital. Performance figures are net of fees.

*Defined as securities of companies of which the principle operations specifically focus on, and derive benefit from or pertain to, the provision of banking, insurance and other financial services.

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Portfolio manager

Kokkie Kooyman

B.Comm. (Hons), CA(SA), HDE

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 Sanlam Collective Investments Global Equity Feeder Fund (the South African-registered feeder fund for the Denker Global Equity Fund).

Quarterly comments: 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.

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Fees

	Class A USD
Initial fee/ Front end load	0% (up to 5% with intermediary
Annual management fee	1.25%
Management performance fee	
Performance fee benchmark	MSCI World Financial Index TR
Base fee	1.25%
Fee at benchmark	1.25%
Fee hurdle	MSCI World Financial Index TR
Sharing ratio	20%
Minimum fee	1.25%
Fee example	1.25% p.a. if the fund performs in line with the performance fee benchmark
Total expense ratio (TER)[1]	1.40%
Transaction cost (TC)[2]	0.19%
Total investment charges (TER+TC)[3]	1.59%

Other allowed expenses include depositary fees, custody fees, administration fees, director's fees, legal fees, audit fees, bank charges, regulatory fees, brokerage/trading fees.

Notes

1. TER 1 October 2022 - 30 September 2025

The percentage of the value of the financial product that was incurred as expenses relating to the administration of the product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.

2. TC 1 October 2022 - 30 September 2025

The percentage of the value of the financial product that was incurred as costs relating to the buying and selling of the assets underlying the product. TCs are a necessary cost in administering the product and impacts the product's returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, type of financial product, investment decisions of the investment manager and the TER.

3. TER+TC

The percentage of the value of the financial product that was incurred as costs relating to the investment of the financial product.

Risk profile: Aggressive

You can afford to take on a higher level of risk (i.e. will have a greater exposure to equities in your portfolio) because of your investment time horizon, or your appetite for risk. You know that in taking the risk, you need to be patient if you want to achieve the results. So you are willing to invest for the long-term and are prepared to tolerate some volatility in the short term, in anticipation of the higher returns you expect to receive in five years or beyond.

Fund information

Manager	Sanlam Asset Management (Ireland)
Investment Manager	Denker Capital (Pty) Ltd, an authorised financial services provider under the South African Financial Advisory and Intermediary Services Act, 2002.
Depositary/ Custodian	Northern Trust Fiduciary Services (Ireland) Ltd
Administrator/ Transfer Agency	Northern Trust International Fund Administration Services (Ireland) Ltd
Listing	Irish Stock Exchange
Salient risk factors	This fund is relatively high risk in relation to other asset classes due to its equity based investment approach, however the investment manager aims to reduce the overall risk by their value and fundamental stance.
Dealing/Redemption frequency	Daily
Dealing deadline	4 PM (Irish time on the business day before a dealing day)
Valuation point	Midnight (South African time) on each dealing day.
Daily prices	Irish Stock Exchange & www.sanlam.ie

Contact information

Investment Manager: Denker Capital

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The appointed investment manager is Denker Capital (Pty) Ltd, an authorised financial services provider in terms of Financial Advisory and Intermediary Act, 2002, FSP 47075.

Manager: Sanlam Asset Management (Ireland)

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Company registration number: 267640 – UCITS IV Management Company & Alternative Investment Fund Manager regulated by the Central Bank of Ireland and is licensed as a Financial Services Provider in terms of Section 8 of the South African FAIS Act of 2002.

Depositary/Custodian: Northern Trust Fiduciary Services (Ireland)

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DENKER CAPITAL

Regulatory statement

The Fund is a sub-fund of the 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 Fund is managed by 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 is licensed as a Financial Service Provider in terms of Section 8 of the South African FAIS Act of 2002.

The Sanlam Universal Funds Plc full prospectus, the Fund supplement, the MDD and the KIID is 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.

This is a Section 65 approved fund under the Collective Investment Schemes Control Act 45, 2002 (CISCA). Sanlam Collective Investments (RF) (Pty) Ltd is the South African Representative Office for this fund.

The information to follow does not constitute financial advice as contemplated in terms of the South African Financial Advisory and Intermediary Services Act. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision, not all investments are suitable for all investors. Collective Investment Schemes (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future performance. Changes in exchange rates may have an adverse effect on the value, price or income of the 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 based on the initial fees applicable, the actual investment date, the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. 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. Trail commission and incentives may be paid and are for the account of the Manager.

The Manager has the right to close any Portfolios to new investors to manage them more efficiently in accordance with their mandates. Performance figures for periods longer than 12 months are annualised. The performance fee is accrued daily, based on performance over a rolling 6 month period with payment to the manager being made bi-annually. Performance fees will only be charged once the performance fee benchmark is outperformed. The portfolio management of all the portfolios are outsourced to Regulated and authorised financial services providers.

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)

Glossary terms

Annualised total returns
Annualised return is the weighted average compound growth rate over the period measured.

Capital growth
Capital growth is the profit made on an investment, measured by the increase in its market value over the invested amount or cost price. It is also called capital appreciation.

Equities
Equities are shares that represent an institution's or individual's ownership in a listed company. These shares are also the "vehicle" through which they are able to "share" in the profits made by that company. As the company grows, and the expectation of improved profits increases, the market price of the share will increase which translates into a capital gain for the shareholder. Similarly, negative sentiment about the company will result in the share price falling.

Shares / equities are usually considered to have the potential for the highest return of all the investment classes but also have the highest level of risk i.e. share investments have the most volatile returns over the short term. An investment in equities should be viewed with a 7 to 10 year horizon.

Undervalued equity stocks (value investing approach)
This is a strategy of selecting shares that trade for less than their intrinsic values. Value investors actively seek stocks that they believe the market has undervalued. They believe the market overreacts to good and bad news, resulting in stock price movements that do not correspond with the company's actual long-term fundamentals. The result is an opportunity for value investors to profit by buying when the price is deflated.

Securities
A general term for shares, bonds, money market instruments and debentures.

Collective investment scheme (CIS)
Collective investment schemes (also called unit trusts) are portfolios of assets such as equities, bonds, cash and listed property, in which investors can buy units. They allow private investors to pool their money together into a single fund, thus spreading their risk across a range of investments, getting the benefit of professional fund management, and reducing their costs.

Total expense ratio (TER)
This is the total costs associated with managing and operating an investment administration, financial planning and servicing fees. These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which administration, financial planning and servicing fees. These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which represents the TER.

Standard deviation
Standard deviation (also called monthly volatility) is a measure of how much returns on an investment change from month to month. It is typically used by investors to gauge the amount of expected volatility in an investment.

Issue date:
28 January 2026