

VUNANI BOTSWANA MANAGED PRUDENTIAL FUND FACT SHEET

FUND INFORMATION UPDATE AT 31 MARCH 2026

WHAT IS THE FUND'S OBJECTIVE?

The objective of the fund is to provide investors with a reasonable level of current income as well as capital growth at a moderate level of risk.

WHAT DOES THE FUND INVEST IN?

The fund provides exposure to a well-diversified portfolio with a balanced mix of local and global equities, bonds and cash. Asset allocation is informed by Vunani's long-term views of geographical and asset class growth, while selected stocks display the key characteristics that we look for in businesses.

WHO SHOULD CONSIDER INVESTING IN THIS

The fund is suitable for investors with an appetite for risk and a long-term investment horizon. The fund is suitable for individuals as well as smaller pension funds seeking medium to long-term capital and income growth. It offers investors access to an actively managed portfolio for planning towards a successful retirement.

POSSIBLE RISKS ASSOCIATED WITH THIS FUND

The fund is faced with general market risks such as price/demand fluctuations, economic and market conditions. Where exposure to foreign investments is included in the portfolio, there may be additional risks, such as possible constraints on liquidity and the return of funds to Botswana, macroeconomic, political, tax and settlement risks, and possible limitations on the availability of market information.

PERFORMANCE

Returns (%)	3 months	1 yr	3 yrs	5 yrs
Gross				
Return	-0.28	12.21	13.11	9.53
Benchmark	-0.09	14.79	12.36	8.46

Returns shown are cumulative for all periods shorter than or equal to 1 year, and annualised for all periods greater than 1 year.

CUMULATIVE RETURNS



RISK PROFILE

Conservative	Moderately conservative	Moderate	Moderately aggressive	Aggressive
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GENERAL FUND INFORMATION

Fund managers Kennedy Manopolwe & Jonathan Paledi
Fund size (P) 882.3 million
Fund class A
Inception date May 2006

Classification Global Multi Asset Class
Benchmark* 25% x Botswana Domestic Companies Index + 45% x MSCI All Country World Index + 15% x FTSE World Government Bond Index + 10% x Fleming Aggregate Bond Index + 5% x 3 Month T-Bill + 2%

*(new benchmark composite effective 1st January 2024)

ISIN number ZAE0000167698
Alpha code SMPCA

Minimum investment requirements

Lump sum P2,000
Monthly P300

FEES

MAXIMUM CHARGES (INCL. VAT)

Initial fee (manager)	0.000%
Initial fee (adviser)	3.420%
Annual fee (manager)	1.140%
Annual fee (adviser)	0.285%
Performance fee	0.000%

Annual fee (manager) - this is a service charge applicable to each class of a fund, and is levied on the value of your portfolio. Annual fees are calculated and accrued daily and recovered monthly.

ANNUAL COST RATIOS (INCL. VAT)

Base period	01/04/2023
TER	1.99%
TC	0.08%
TIC	2.07%
1 year TER	2.70%

Total expense ratio (TER): shows the charges, levies and fees relating to the management of the portfolio (expressed as a % of the average net asset value of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER should not be regarded as an indication of future TERs.

Transaction costs (TC): shows the % of the value of the fund incurred as costs relating to buying and selling of the fund's underlying assets. TC are a necessary cost in administering the fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, investment decision of the investment manager and the TER.

Total investment charges (TIC): the sum of TER and TC, shows the % of the value of the fund incurred as costs relating to investment of the fund. It should be noted that performance figures account for all costs included in the TIC ratio, so you should not deduct the TIC from performance figures, the performance is already net of the TIC.

INCOME DISTRIBUTION

Net income is calculated daily and declared semi-annually.

Declaration: 28 February and 31 August

FUND REVIEW

The Fund ended the quarter (Q1 2026) with a market value of BWP 882.3million (from BWP 885.8 million in Q4 2025). Domestic equities and commodities outperformed during the turbulent quarter, while offshore equities and bonds lagged.

MARKET OVERVIEW

Global economic growth expectations softened following the IMF's April 2026 update, with global GDP now projected at 3.1% in 2026 and 3.2% in 2027, slightly below earlier estimates. The downgrade reflects heightened geopolitical tensions, particularly the US–Iran conflict, which disrupted trade, energy markets, and business confidence. While technology-led investment and private sector resilience remain supportive, the macro environment is increasingly characterised by uncertainty and tighter financial conditions. Global inflation is expected to rise to 4.4% in 2026 before easing to 3.7% in 2027, largely due to higher energy prices and supply disruptions.

Global equity markets weakened toward the end of March 2026 as investor sentiment deteriorated amid rising geopolitical tensions and renewed inflation concerns. In US dollar terms, the MSCI All Country World Index declined 3.1%, while the MSCI World Index fell 3.5%. Emerging markets proved relatively resilient, easing only 0.1%. The sell-off reflected higher bond yields, inflation concerns, and broader uncertainty around global policy and geopolitical developments. Despite the correction, developed market valuations remain elevated, with the MSCI ACWI and MSCI World trading above 21x earnings, compared to 16.5x for emerging markets.

Domestic equities posted modest gains during Q1 2026, with the DCI and DCTRI rising 0.5% and 1.2%, respectively. Market performance was mainly supported by FNBB, BIHL, and BTCL, while Choppies and Letshego were the largest detractors. Investor sentiment remained constrained by sovereign credit pressures and persistent weakness in the diamond sector. Domestic liquidity conditions improved during the quarter, reflected in softer money market yields. Local bonds weakened in March following Botswana's sovereign downgrade by S&P Global, which placed upward pressure on yields.

OUTLOOK

Global markets experienced a volatile first quarter of 2026 as geopolitical tensions, shifting inflation expectations, and changing monetary policy assumptions drove uneven asset class performance. Offshore equities started the year strongly before sentiment deteriorated sharply in March following the escalation of tensions between the United States and Iran, which triggered a spike in oil prices and renewed inflation concerns. Emerging markets proved relatively resilient versus developed peers, while offshore bonds weakened as expectations for interest rate cuts were scaled back. Domestically, Botswana equities posted modest gains despite a difficult macroeconomic backdrop, while local bonds remained under pressure following Botswana's sovereign downgrade by S&P Global. Improving liquidity conditions, however, contributed to softer money market yields.

Looking ahead, the investment environment is expected to remain uncertain as geopolitical risks, elevated oil prices, and persistent inflation pressures continue to influence market sentiment and monetary policy expectations. Offshore assets may remain volatile despite supportive long-term structural themes linked to technology and artificial intelligence investment. Locally, softer money market yields are likely to moderate cash returns, while elevated bond yields and weak domestic growth conditions may continue to limit upside across local asset classes.

CONTACT DETAILS

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DISCLOSURE

Collective Investment Undertaking (CIUS) are generally medium to long term investments. The value of the units may go up or down, and past performance is not necessarily a guide to future performance. Unit trusts (UTs) are traded at ruling prices and can engage in borrowing and scrip lending.

The Vunani Botswana Managed Prudential Fund is a portfolio of the Vunani Fund Managers Unit Trust Scheme (the Scheme), which is licensed in terms of the Collective Investment Undertakings Act, 1999 (as amended). The manager of the Scheme is Vunani Fund Managers (Pty) Ltd (the Manager). The Manager is licensed by the Non-bank Financial Institutions Regulatory Authority (NBFIRA), Certificate No. CIU/06, to carry out the business of a Unit Trust Management Company in the Republic of Botswana. The investments of this portfolio are managed by the Manager.

The Manager is licensed by NBFIRA, Certificate No. NBFIRA 10/3/13/II, to carry out the business of an asset manager in the Republic of Botswana. Prices are calculated and published on each working day and are available on the Manager's website (www.vunanifm.co.bw). This portfolio is valued at 15h00. Forward pricing is used. Investments and repurchases will receive the price of the same day if received prior to 12h30.

All performance returns quoted are shown in BWP and are based on data sourced from StatPro. Annualised return figures are the compound annualised growth rate (CAGR) calculated from the cumulative return for the period being measured. These annualised returns provide an indication of the annual return achieved over the period had an investment been held for the entire period. Actual annual figures are available on request from the Manager. Portfolio performance figures are calculated for the relevant class of the portfolio, for a lump sum investment, on a NAV-NAV basis, with income reinvested on the ex-dividend date. Individual investor performance may differ due to initial fees, actual investment date, income and dividend reinvestment dates, withholding tax. Portfolio performance accounts for all costs that contribute to the calculation of the cost ratios quoted, all returns quoted are after these costs have been accounted for.

Additional information including but not limited to, prospectus, brochures, application forms, quarterly reports, can be obtained (at no cost) from the Manager and/or from the Manager's website (www.vunanifm.co.bw).