

## VUNANI BOTSWANA MANAGED PRUDENTIAL FUND FACT SHEET

### FUND INFORMATION UPDATE AT 30 JUNE 2025

#### 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

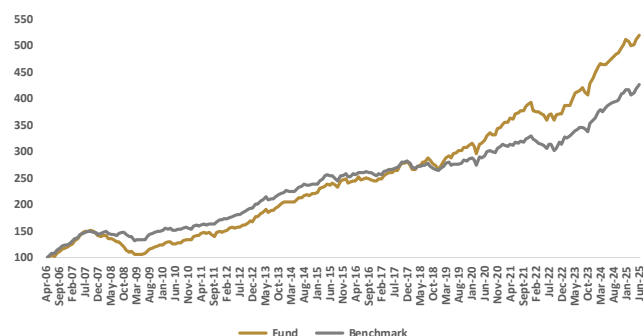
The fund is faced with general market risks such as price/demand fluctuations, economic and market conditions. Where exposure to foreign investments is included in the portfolio, there may be additional risks, such as possible constraints on liquidity and the return of funds to Botswana, macroeconomic,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

#### PERFORMANCE

Returns (%)	3 months	1 yr	3 yrs	5 yrs
<b>Gross</b>				
Return	4.07	10.97	13.10	10.15
Benchmark	4.69	10.32	11.77	7.78

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



#### GENERAL FUND INFORMATION

**Fund managers** Kennedy Manopolwe & Jonathan Paledi  
**Fund size (P)** 805.8 million  
**Fund class** A  
**Inception date** 08 Nov 2005

**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

#### RISK PROFILE

Conservative	Moderately conservative	Moderate	Moderately aggressive	Aggressive
--------------	-------------------------	----------	-----------------------	------------

#### 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	01/07/2022
TER	1.68%
TC	0.09%
TIC	1.77%
1 year TER	1.72%

**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

### 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 Money Market 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 (NBFIIRA), 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 NBFIIRA, Certificate No. NBFIIRA 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](http://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 Morningstar/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](http://www.vunanifm.co.bw)).

## FUND REVIEW

The Fund ended the quarter (Q2 2025) with a market value of BWP 805.8 million (up from BWP 794.5 million in Q1 2025). Offshore equities led the pack, delivering the highest returns, followed by Domestic Equities and Commodities (gold ETF). Whereas defensive risk assets such as Domestic Bonds weighed down performance over the period.

## MARKET OVERVIEW

The IMF projects global growth to slow after a period of modest stability, with real GDP expected to decline from 3.3% in 2024 to 3.0% in 2025 and 3.1% in 2026, below the 2000–2019 average of 3.7%. Disinflation is forecast to continue, with inflation reaching 4.2% in 2025 and 3.6% in 2026, though remaining above target in the US and more subdued elsewhere. The IMF's July 2025 growth forecast of 3.0% is 0.2 percentage points (pp) higher than its April estimate. Heightened trade tensions and policy uncertainty are among the key risks to the global outlook.

Global equities posted strong gains, with the MSCI All Country World Index rising 11.7% q/q, buoyed by US markets, and the MSCI ACWI ex USA Index advancing 12.3%. Emerging markets slightly outperformed developed markets, as the MSCI Emerging Markets Index gained 12.2% (Q1 2025: 3.0%) versus the MSCI World Index's 11.7% (Q1 2025: 1.7%). Chinese equities ended higher despite trade tensions, with the US imposing tariffs of up to 145% on Chinese imports in April, prompting retaliatory tariffs of 125% from Beijing. These developments weighed on investor sentiment, particularly in technology and manufacturing, yet markets managed to recover into positive territory by quarter-end.

Domestically, equities closed Q2 2025 in positive territory, led by the banking sector's substantial influence on the Domestic Companies Index (DCI). The DCI and Domestic Company Total Return Index (DCTRI) rose 3.1% and 6.0%, respectively, with FNBB, Stanchart, and Sechaba among the largest contributors. As of June 2025, domestic equities traded at average P/E and P/B ratios of 12.7x and 1.8x, respectively. Defensive assets underperformed, with domestic bonds returning -1.1% due to higher long-term yields and a generally elevated interest rate environment. Overall, risk assets outshone defensive holdings during the quarter, reflecting strong global equity momentum despite persistent macroeconomic headwinds.

## OUTLOOK

The broader investment landscape has recently been marked by heightened volatility in risk assets, largely driven by uncertainty surrounding US trade policy and associated tariffs. This unexpected "black swan" development has generated unpredictable market conditions, posing challenges for active managers across the industry. The instability has been most evident in international markets, where offshore equities have come under notable pressure in recent months. Measured by the MSCI World Index (MSCI WI) and MSCI Emerging Markets Index (MSCI EM), offshore equities posted quarterly returns of 11.6% and 12.2%, respectively, in US dollar terms.

Looking ahead, we anticipate continued market fluctuations, with swings similar to those experienced between April's sell-offs and June's new highs in offshore equities. These shifts have been closely tied to evolving narratives from the White House on trade tariffs, which have also weighed on the US dollar as investors react to uncertainty over the implications for global businesses and supply chains. In response, we maintain a disciplined approach to monitoring and managing our positions both locally and abroad, aiming to navigate these volatile conditions effectively while keeping benchmark risk within acceptable limits.

## CONTACT DETAILS

### TRUSTEE

Stanbic Bank Botswana  
2nd floor, Stanbic House, Fairgrounds Office Park, Private Bag 00168, Gaborone, Botswana  
Tel: +267 361 8472

### INVESTMENT MANAGER

Vunani Fund Managers Botswana  
Plot 64515, Kgwebob2, 2<sup>nd</sup> floor, Fairgrounds  
Tel: +267 391 0310  
Email: moipolait@vunanifm.co.bw