Alexander Forbes Investments QI Hedge Fund Scheme

Investments

Minimum Disclosure Document

AF Moderate QI Hedge Fund of Funds - Class A2

30 June 2026

Portfolio classification
QI Hedge Fund of Funds

ASISA classification
Qualified Investor Hedge Funds - South African - Multi-Strategy Hedge Funds

Structure
CIS trust arrangement

Portfolio inception date
1 March 2000

Fee class inception date
1 July 2017

Establishment as CIS portfolio
26 May 2016

Portfolio size
R1 521 132 289.72

NAV per unit
1.9583

Number of units
47 613 766.9464

Benchmark*
70% STeFI,
30% FTSE/JSE All Share Index

Risk profile
Medium-low

Total exposure calculation method
Value at risk method

Total exposure % of NAV
20%

Minimum lump sum
R1 million lump sum

Redemptions
One calendar month's notice

Annual management fee
0.65% p.a. (excl. VAT)

Performance fee
Performance fees are not levied, although they have been provided for. Investors will receive 3 months' written notice, if they will be levied in future.

Income declaration
Bi-annually (March and September)

Accounting dates
1 April to 30 September and
1 October to 31 March

Pricing date
Monthly (last day of calendar month)

Management company
Alexander Forbes Investments Unit Trusts Limited
Registration number: 2001/015776/06

Fund manager
Alexander Forbes Investments Administration (Pty) Ltd

Fund administrator
Apex Group

Fund auditor
PricewaterhouseCoopers (PwC) South Africa

Risk manager
Alexander Forbes Investments Unit Trusts Limited

Trustee, Custodian and Depository
FirstRand Bank Limited

Investment objective

The portfolio is a multi-asset class fund of hedge funds, which has a medium to low risk objective. It focuses on achieving superior long-term investment performance, relative to its benchmark, with a focus on downside loss protection, in the medium term.

Investment summary/strategy

The portfolio may invest in:

- assets in liquid form;
- the participatory interests of, portfolios in any collective investment scheme in hedge funds and which may be supplemented by portfolios in any collective investment scheme in securities; and
- financial instruments (derivatives), for the sole purpose of hedging against exchange rate risks, subject only to the requirements under the Act.

The portfolio is permitted to invest in offshore investments, subject to the above. The managers of the underlying portfolios in collective investment schemes in hedge funds, referred to above, may create leverage, by borrowing funds, using short positions, or engaging in derivative transactions. The manager shall use the value at risk (VaR) method to calculate the portfolio's total exposure. The manager shall ensure that the portfolio's total exposure to the market does not exceed 20% of the total net asset value of the portfolio.

The custodian shall ensure that the investment policy (including the applicable investment restrictions), as set out above, is adhered to.

There are no additional mandate investment limitations.

* The benchmark changed from 70% STeFI and 30% Capped SWIX Index to 70% STeFI and 30% FTSE/JSE All Share Index on 1 December 2025.

**The portfolio name changed from AF Invest Moderate QI Hedge Fund of Funds to AF Moderate QI Hedge Fund of Funds effective 15 February 2026.

Performance of class A2 to 30 June 2026

	Portfolio	Benchmark	Highest annual return (%) Portfolio	Highest annual return (%) Benchmark	Lowest annual return (%) Portfolio	Lowest annual return (%) Benchmark
1 month	0.21%	*-0.70%*				
3 months	2.58%	*0.46%*				
6 months	2.22%	*1.63%*				
1 year	10.67%	*10.77%*				
3 years (ann)	12.25%	*10.91%*				
Since inception	10.31%	*8.13%*	23.60%	17.99%	-1.11%	-2.90%

Sourced from the Statpro Performance and Attribution system.

Strategy allocation as at 30 June 2026

Strategy	
Equity long/short	49.09%
Fixed income	40.30%
Market neutral	7.31%
Cash	3.30%
Total	**100.00%**

Note: The strategy allocation is updated quarterly

Net asset allocation as at 30 June 2026

Asset class	
Equity	21.91%
Bonds	44.85%
Cash	33.24%
Commodities	0.00%
Total	**100.00%**

Note: The asset allocation is updated quarterly. Based on strategy allocation.There may be differences in totals due to rounding. We changed providers of the asset allocation information in June 2020.
Source: Riscura

Risk statistics - class A2

Rolling one-year period: 1 July 2025 to 30 June 2026

	Portfolio	Benchmark
Annualised return	9.15%	*9.22%*
Beta	0.81	
Maximum drawdown	5.68%	*5.68%*
Sharpe ratio	1.57	*1.58*
Sortino ratio	0.39	*0.30*

Underlying managers

This portfolio invests in underlying fund(s) of the following managers:

Terebinth	18.72%
Steyn	17.13%
Matrix	15.32%
Abax	13.33%
36ONE	8.29%
Fairtree	7.31%
Oakhaven	6.26%
Nitrogen	5.29%
Peregrine	5.05%
Cash	2.77%
AF Investments	0.53%
Total	**100.00%**

Total investment charge of class A2[9]

Annualised, rolling three-year period: 1 April 2023 to 31 March 2026

Total expense ratio (TER)[1 & 4]	**3.52%**
Transaction costs (TC)[2]	**0.40%**
Total investment charge (TER + TC)[3]	**3.92%**

Income distribution in the past 12 months

Date	Interest	Dividend
March 2026	3.1656	0.4351
September 2025	0.7157	0.2298

Total expense ratio and transaction costs

1. **Total expense ratio (TER):** The percentage of the value of the portfolio that was incurred as expenses relating to the administration (charges, levies and fees) of the portfolio. TER is calculated over rolling three years (or since inception, where applicable) and is annualised to the most recent calendar quarter-end. A higher TER does not necessarily imply a good return. The current TER may not necessarily be an accurate indication of future TERs.
2. **Transaction cost (TC):** The percentage of the value of the portfolio that was incurred as costs relating to the buying and selling of the assets underlying the portfolio. TC is a necessary cost in administering the portfolio and impacts portfolio 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 financial product, the investment decisions of the investment manager and the TER.
3. **Total investment charge (TIC):** The percentage of the value of the portfolio that was incurred as costs relating to the investment of the portfolio. It is the sum of the TER and TC. For portfolios that have less than one year since launch, the TER and TC cannot be determined accurately, because of the short life span of the portfolio. For these portfolios, calculations are based on actual data, where possible and best estimates where actual data is not available.
4. The hedge fund of funds are multi-tier portfolios. It is the top-tier of the multi-tier portfolio structure. Therefore, the calculation of the TER is dependent on receiving the TERs of the underlying portfolios. There are delays in receiving the information from the managers of the underlying portfolios, causing delays in calculating the TER of the hedge fund of funds. Therefore, the TER is calculated over rolling three years and is annualised to the latest available calendar quarter-end. Contact the manager for more information.
5. The underlying fund charge includes the brokerage costs and all other hedge fund transactions fees.
6. Performance fees are not levied on the portfolio, although they have been provided for. Investors will receive three months' written notice, if performance fees will be levied in the future.
7. The underlying global manager charge is not a charge on the portfolios. It is embedded within the underlying portfolios of the manager.
8. 'Other charges' includes: accounting fees, administration fees, bank charges, scrip borrowing fees, audit fees and custodian/depository fees. Contact the manager for more information.
9. The percentages include VAT.
10. There may be differences to the totals due to rounding.

Disclosure

Risks (portfolio specific)

Derivatives: There is no assurance that a portfolio's use of a derivative strategy will succeed. A portfolio's management may employ a sophisticated risk management process, to oversee and manage derivative exposures within a portfolio, but the use of derivative instruments may involve risks different from and, in certain cases, greater than, the risks presented by the securities from which they are derived.

Exposure to foreign securities: Foreign securities within portfolios may have additional material risks, depending on the specific risks affecting that country, such as: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Investors are reminded that an investment in a currency other than their own may expose them to a foreign exchange risk.

Hedge fund of funds: A hedge fund of funds is a portfolio that invests in portfolios of collective investment schemes (unit trusts) that levy their own charges, which could result in a higher fee structure for the fund of funds.

Drawdown: The potential magnitude of loss - the largest peak-to-trough decline in returns over the period, also known as the maximum drawdown.

Liquidity: The risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss (or make the required profit).

Equities: The value of equities may vary according to company profits and future prospects, as well as more general market factors. In the event of a company default, the owners of their equity rank last in terms of any financial payment from that company.

Bonds: The value of fixed income investments (e.g. bonds) tends to decrease when interest rates and/or inflation rises. Bonds issued by major governments and companies, will be more stable than those issued by emerging markets or smaller corporate issuers. If an issuer experiences financial difficulty, there may be a risk to some, or all, of the capital invested. Any historical or current yields quoted should not be considered reliable indicators of future performance.

For a detailed description of these risks and other risks that are relevant to the portfolio, please refer to the **CIS RISK DISCLOSURE DOCUMENT**, available on the website.

Collective Investments (unit trusts) are generally medium-term to long-term investments, but a hedge fund may have short-term strategies and practices. The value of participatory interests (units) or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Hedge funds trade at ruling prices and prices may fluctuate post publication. Hedge funds can engage in scrip borrowing and scrip lending. The manager does not provide any guarantee, either with respect to the capital or the return of a portfolio. Any forecasts and/or commentary in this document are not guaranteed to occur. Different classes of participatory interests apply to these portfolios and are subject to different fees and charges. A **SCHEDULE OF FEES AND CHARGES**, with maximum commissions, is available on request from us or from your financial adviser (click on the link to download the document). Forward pricing is used. Hedge funds are CIS with a strategy that allows for leveraging and short-selling strategies. Hedge fund strategies can result in losses greater than the market value of the fund, but investors' losses are limited to the value of the investment or contractual commitments. Hedge funds can also invest in illiquid instruments. While CIS in hedge funds differ from CIS in securities (long-only portfolios) the two may appear similar, as both are structured in the same way and are subject to the same regulatory requirements. Further risks associated with hedge funds include: investment strategies may be inherently risky; leverage usually means higher volatility; short-selling can lead to significant losses; unlisted instruments might be valued incorrectly; fixed income instruments may be low-grade; exchange rates could turn against the fund; other complex investments might be misunderstood; the client may be caught in a liquidity squeeze; the prime broker or custodian may default; regulations could change; past performance might be theoretical; or the manager may be conflicted. For a detailed description of these risks, please refer to the **HEDGE FUND RISK DISCLOSURE DOCUMENT**, available on the website.

Redemptions

A Qualified Investor Hedge Fund (QIHF) can borrow up to 10% of the value of the portfolio, for redemptions of participatory interests. The ability of a portfolio to repurchase, is dependent upon the liquidity of the securities and cash of the portfolio. A manager may, in exceptional circumstances, suspend repurchases for a period, subject to regulatory approval, to await liquidity and the manager must keep the investors informed about these circumstances.

Performance fees

Performance fees are not levied on the portfolio, although they have been provided for. Investors will receive three (3) months' written notice, if performance fees will be levied in the future.

Lump-sum investment performances are being quoted. Income distributions, prior to deduction of applicable taxes, are included in the performance calculations. NAV to NAV figures have been used for the performance calculations, as calculated by the manager at the valuation point defined in the deed, over all reporting periods. Investment performance calculations are available for verification upon request by any person. Reinvestment of income is calculated on the actual amount distributed per participatory interest, using the ex-dividend date NAV price of the applicable class of the portfolio, irrespective of the actual reinvestment date. The performance is calculated for the portfolio. The individual investor performance may differ, as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. The rate of return is calculated on a total return basis and the following elements may involve a reduction of the investor's capital: interest rates, economic outlook, inflation, deflation, economic and political shocks or changes in economic policy.

Annualised returns are period returns re-scaled to a period of one year. This allows investors to compare returns of different assets that they have owned for different lengths of time. All period returns greater than one year have been annualised. Returns for periods less than one year have not been annualised. Actual annual figures are available to the investor on request.

Prices

PRICES are published daily in the Business Report (South Africa's National Financial Daily).

Valuation and cut-off times

The QIHFs are valued on the last day of each calendar month. The pricing date is the last day of each calendar month. The withdrawal instruction must be received before 13:00, at least five business days (or shorter, as determined by the manager) prior to the pricing date, failing which, the pricing date in the following calendar month will apply.

Closure of the portfolio

The manager shall, in its absolute discretion, without notice or on such notice as it may determine, be entitled from time to time to close the portfolio to new investments and/or to close the portfolio to investments from new investors and/or to accept new investments only from certain persons or groups of persons and/or to limit or suspend the creation and issue of new participatory interests, in each case on such terms as it may determine, if such restrictions will, in the manager's view, benefit the portfolio or the effective management thereof or for any other reason whatsoever. The manager shall, in its absolute discretion, determine the date from which any such restrictions shall take effect, the date from which any such restrictions shall cease to apply and/or the date on which any such amended restrictions shall apply.

Structure of the portfolio

The portfolio was established as a collective investment scheme trust arrangement on 26 May 2016, with the conversion process being completed on 1 November 2016. All prior information was in an unregulated environment. The portfolio will not change its investment strategy or investment policy without prior approval from the Financial Sector Conduct Authority and investors. The ballot procedure, as prescribed in CISCA and the Deed, will be followed.

4983 • Date published: July 2026

Counterparties and prime brokers

We do not enter into counterparty or prime broker arrangements, but the underlying portfolios may enter into such arrangements. We receive reporting on counterparty exposure levels from the underlying portfolio managers and this information can be provided on request.

Additional information

For more information on the portfolio, refer to the following documents, available from your financial adviser, or on request from the manager, at no additional cost.

- APPLICATION FORM FOR LEGAL ENTITIES
- APPLICATION FORM FOR INDIVIDUAL INVESTORS
- ANNUAL REPORT
- FEES AND CHARGES SCHEDULE
- PORTFOLIO SUMMARY

Complaints

The COMPLAINTS HANDLING PROCEDURE and the CONFLICTS OF INTEREST MANAGEMENT POLICY are available on the website.

Associates of the manager may be invested within certain portfolios and the details thereof are available from the manager.

Contact details

Management Company (Manager)

Alexander Forbes Investments Unit Trusts Limited is registered as a manager, in terms of the *Collective Investment Schemes Control Act* and through Alexander Forbes Group Holdings Limited, is a member of the Association for Savings and Investment SA (ASISA).

Registration number: 2001/015776/06

Physical address: 115 West Street, Sandown, 2196

Postal address: PO Box 786055, Sandton, 2146

Telephone number: + 27 (0) 11 505 6000

Email address: afinvestments@alexforbes.com

Website: www.alexforbes.com

Board members: https://investors.alexforbes.com/governance/

Trustee, Custodian and Depository

FirstRand Bank Limited, acting through RMB Trustee Services

Registration number: 1929/001225/06

Physical address: No 3. First Place, Corner Jeppe and Simmonds Streets, Johannesburg, 2001

Postal address: PO Box 7713, Johannesburg, 2000

Telephone number: +27 (0) 87 736 1732

Email address: info@rmb.co.za

The trustee is registered as a trustee of collective investment schemes, in terms of the *Collective Investment Schemes Control Act*.

Investment Manager

Alexander Forbes Investments Administration (Pty) Ltd, registration number 2005/043273/07 is a licenced authorised Financial Services Provider (FSP), as a hedge fund FSP, in terms of section 8 of the *Financial Advisory and Intermediary Services Act, No. 37 of 2002*, as amended, FAIS licence number 27584. The address is the same as the manager. This information is not advice, as defined in the Act. Please be advised that there may be supervised representatives.