Terebinth SCI Enhanced Income Fund

Minimum Disclosure Document | Fee Class: B1 | 31 July 2025

TEREBINTH CAPITAL

Fund Information

Investment Manager	Terebinth Capital (Pty) Ltd
Fund Manager	N.Okello, D.Ngwenza and O.Mtuzula
Inception Date	01/08/2018
Benchmark	STeFI Composite
ASISA Category	SA Income Bearing Short Term
Currency	Rand
Fund Size	1,431,298,064
Ticker	TSIFB1
Yield	8.76%

Risk Profile

Conservative

Summary of Investment Policy

The fund seeks investment opportunities that meet the objective of delivering an enhanced level of income and stability on capital invested.

Fund Strategy

The fund will invest across the full spectrum of income generating assets including interest bearing securities (including, but not limited to bonds, convertible bonds, debentures, corporate debt, cash deposits and money market instruments) as well as inflation-linked bonds and corporate bonds. The diversified fund will be actively managed to reflect changing economic and market circumstances, in order to maximise returns to investors. For efficient fund management purposes, the Manager may invest in financial instruments (listed and unlisted derivatives) allowed by the Act in order to achieve its investment objective. The fund will also invest in participatory interests and offshore investments as permitted by legislation. The fund may also invest in participatory interest (units) of collective investment schemes.

Fees (%) - Including VAT

Management Fee	0.46
Total Expense Ratio	0.49
Transaction Costs	0.02
Total Investment Charge	0.51

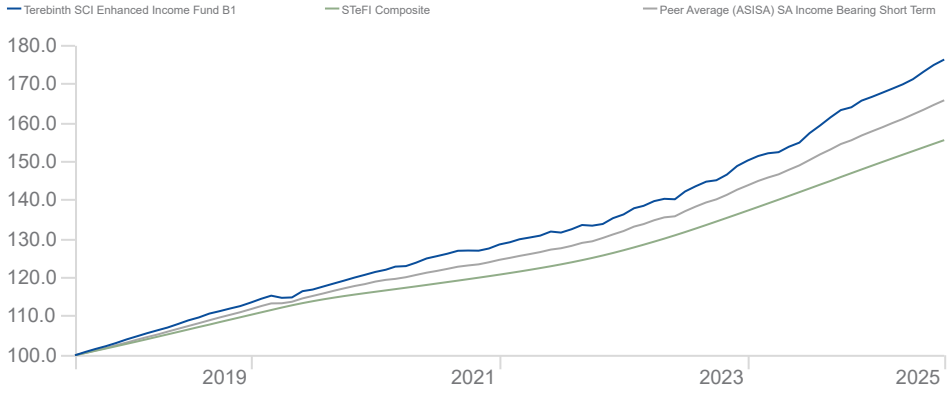
Distribution History (CPU)

Jun 2024: 0.0736	Jan 2025: 0.0769
Jul 2024: 0.0824	Feb 2025: 0.0679
Aug 2024: 0.0817	Mar 2025: 0.0741
Sep 2024: 0.0765	Apr 2025: 0.0715
Oct 2024: 0.0834	May 2025: 0.0737
Nov 2024: 0.0758	Jun 2025: 0.0705
Dec 2024: 0.0782	

Additional Information

Minimum Lump Sum Investment: R100 000
Minimum Monthly Investment: R10 000
Fund Valuation Time: 15:00
Transaction Cut-Off Time: 15:00
Distribution declaration date: Monthly
Distribution Pricing Date: First business day of Month
Daily Price: www.sanlamunittrusts.co.za

Investment Growth - Since Inception



The investment performance is for illustrative purposes only and is calculated by taking the actual initial fees and all ongoing fees into account for the amount shown. Income is reinvested on the reinvestment date.

Period Returns (%)

	YTD	1 Year[1]	3 Years[1]	5 Years[1]	Since Inception[1]
Terebinth SCI Enhanced Income Fund B1	5.78	10.70	10.00	8.42	8.42
STeFI Composite	4.43	7.98	7.86	6.34	6.52
Peer Average (ASISA) SA Income Bearing Short Term	5.07	9.21	8.96	7.42	7.50

[1]Annualised Return: An annualised rate of return is the average rate of return per year, measured over a period either longer or shorter than one year, such as a month, or two years, annualised for comparison with a one-year return.

Monthly Returns (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2025	0.66	0.59	0.67	0.78	1.12	1.01	0.81						5.78
2024	0.78	0.47	0.19	0.91	0.70	1.58	1.26	1.33	1.15	0.45	1.04	0.60	10.96
2023	1.18	0.44	0.88	0.42	-0.08	1.44	0.95	0.83	0.25	1.01	1.50	0.96	10.22
2022	0.45	0.59	0.36	0.36	0.80	-0.20	0.65	0.83	-0.13	0.32	1.13	0.71	6.03
2021	0.47	0.65	0.11	0.73	0.88	0.47	0.51	0.60	0.05	-0.03	0.44	0.82	5.85
2020	0.87	0.69	-0.48	0.09	1.41	0.36	0.67	0.66	0.62	0.67	0.58	0.62	6.96

Risk Statistics (%) - Since Inception

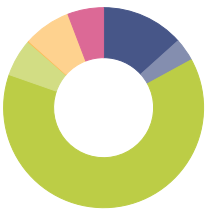
	Max Drawdown	Up Period Percent	Std Dev	Sharpe Ratio	Highest Ann Return (Rolling Average)	Lowest Ann Return (Rolling Average)
Terebinth SCI Enhanced Income Fund B1	-0.48	93.98	1.30	1.49	12.49	4.85
STeFI Composite	—	100.00	0.48	—	8.57	3.77
Peer Average (ASISA) SA Income Bearing Short Term	—	100.00	0.66	1.98		

Top 5 Exposure



	%
REPUBLIC OF SOUTH AFRICA	23.5
STANDARD BANK GROUP LTD	14.2
NEDBANK GROUP LTD	11.0
ABSA GROUP LTD	9.7
FIRSTRAND BANK LTD	4.6
OTHER	37.0
Total	**100.0**

Asset Allocation



	%
BONDS	13.4
CASH	3.7
FRN	63.3
ILB	6.1
NCD FIXED	0.2
NCD FRN	7.6
CLN	5.8
Total	**100.0**

Sanlam

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Disclaimer

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The Sanlam Group is a full member of the Association for Savings and Investment SA ("ASISA"). Collective investment schemes (CIS) are generally medium- to long-term investments. Please note that past performance is not necessarily a guide to future performance, and that the value of investments/ units/unit trusts may go down as well as up. A schedule of fees and charges and maximum commissions is available from the Manager, Sanlam Collective Investments (RF) Pty Ltd, a registered and approved Manager in CIS in Securities. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge. 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 fund including any income accruals and less any deductible expenses such as audit, brokerage and service fees. Actual investment performance of the fund 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. The Manager doesn't provide any guarantee either with respect to the capital or the return of a fund. The performance of the fund 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. Lump sum investment performances are quoted. Income funds derive their income primarily from interest-bearing instruments. The fund may invest in participatory interests of other unit trust funds. These underlying funds levy their own fees and may result in a higher fee structure for our fund. All the fund options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 ("CISCA"). The Manager may borrow up to 10% the market value of the fund to bridge insufficient liquidity. The fund may from time to time invest in foreign countries and therefore may have risks regarding liquidity, the repatriation of funds, political and macroeconomic situations, foreign exchange, exchange rates, tax, settlement and the availability of information. Sanlam Collective Investments (RF) (Pty) Ltd retains full legal responsibility for the co-named fund and has the right to close any funds to new investors to manage them more efficiently in accordance with their mandates. Investment Management of the fund is out sourced to Terebinth Capital (Pty) Ltd, (FSP) Licence No. 47909, an Authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002. Standard Bank of South Africa Ltd is the appointed trustee of the Sanlam Collective Investments scheme.

All fees include VAT except where specified. Obtain a personalised cost estimate before investing by visiting www.sanlamunittrustsmdd.co.za and using our Effective Annual Cost (EAC) calculator. Alternatively, contact us at 0860 100 266. This fund is available via certain LISPS (Linked Investment Service Providers), which levy their own fees. Advice Fee: Any advice fee is negotiable between the client and their financial advisor. An annual advice fee negotiated is paid via a repurchase of units from the investor. Total Expense Ratio (TER) Period: 01 April 2021 to 31 March 2024. TER refers to the value of the Financial Product was incurred as expenses relating to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's. Transaction Cost (TC) is the value of the Financial Product was incurred as costs relating to the buying and selling of the assets underlying the Financial Product. TCs are a necessary cost in administering the Financial Product and impacts Financial Product 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. Total Investment Charges (TER + TC) refers to the value of the Financial Product was incurred as costs relating to the investment. Effective 1 December 2024, SCI will charge a monthly administration fee of R23 excluding VAT on retail investors whose total investment value is less than R50,000. Clients with and active recurring debit order will not be levied this fee. Data sources: Morningstar Direct, INET BFA and Bloomberg.

Issue date: 19 August 2025

Market and Fund Commentary

July was an eventful month from a Monetary Policy perspective, but with limited surprises, as most bank actions were in line with market expectations. The US Federal Open Market Committee kept interest rates on hold at 4.25%-4.50%, with the main surprise stemming from the fact that two governors preferred to cut interest rates by 25 basis points (bps). The European Central Bank also kept policy rates unchanged, given inflation hovering closer to its 2.0% target. The Bank of Japan also kept rates unchanged. The underlying tone around policy decisions globally remains data-dependent.

Although headline inflation increased from 2.8% y/y in May to 3.0% y/y in June and core edged lower from 3.0% y/y to 2.9% y/y, both numbers were lower than consensus expectations. Food inflation moderated but remains a risk to headline inflation over the outlook period. Core inflation is expected to remain weak, given poor demand in the economy and as reflected in declining inflation expectations in the BER surveys.

As expected, the SARB MPC cut interest rates by 25bps in a unanimous vote. Therefore, they used the free option they were afforded by the market, in terms of what was priced in forward rate agreement rates leading up to the meeting. The surprise outcome from the meeting was the fact that the MPC announced a change in the inflation target level, within the current 3-6% target band from 4.5% to 3.0%. This approach does not deviate from the current inflation target policy of the National Treasury, and hence, their justification to move the focus point without waiting for formal approval from the National Treasury. This was seen as positive for rates given the scenario outlined at the May MPC meeting, the filter through to lower funding costs from a fiscal policy perspective and therefore long-term nominal rates. The ball is now on the National Treasury to officially announce any amendments to the official target, which would ensure buy-in is achieved from public sector price setters, for instance, unions on wage setting, utility price setters and municipalities.

Uncertainty will prevail in the market until the US tariff negotiations are complete. While the impact is a risk to US inflation, the growth outlook is hindered primarily by the slowdown in decision-making from businesses. With the effects extending beyond the US shores, the local growth outlook decelerates to below trend, given heightened tariff-induced uncertainty.

From a positioning perspective, the high government bond coupon flows will extend to the next month and therefore should ensure a temporary ceiling is set for local rates. We should not be surprised to see an extension of range-bound trading in rates while we prepare for budget outcomes at the Medium-Term Budget Policy Statement.

Although the SARB MPC will be targeting the lower band of the current inflation target range, the total return expectations on inflation-linked bonds are comparable to Jibar-linked instruments, with an attractive spread given our expectations for a ratchet high in headline inflation in the second half of the year, primarily driven by base effects.

The recent flattening of the nominal bond curve has reduced some of the excessive bearishness, but the curve remains steep relative to emerging market peers. Fiscal dynamics are key in extrapolating a structural reversal of the steepening trend.

Therefore, we remain opportunistic in managing risk in the portfolios given how most of the opportunity set is priced closer to fair value levels, but slightly expensive.