PSG Wealth

SA Property Equity Portfolio

August 2026

Key information

Benchmark

- FTSE/JSE All Property Index TR

Annual management fee

- 1.73% (incl. VAT)

Minimum portfolio size

- R1 million

Top 10 Holdings

- Attacq Ltd
- Fairvest Ltd
- Fortress Real Estate Investments Ltd
- Growthpoint Properties Ltd
- Hyprop Investments Ltd
- NEPI Rockcastle N.V
- Redefine Properties Ltd
- Resilient REIT Ltd
- Sirius Real Estate Ltd
- Vukile Property Fund Ltd

*Sorted alphabetically

About the portfolio manager

Adriaan Pask, Chief Investment Officer

- Over 20 years' of investment experience
- BCom (Financial Analysis)
- BCom(Hons) (Financial Management)
- MCom (Business Management)
- PhD (Economic and Management Sciences)

About the lead analysts

Marnus Piekaar, Head of Fundamental Research

- 10 years' experience in finance and equity analysis
- BCom(Hons) (Financial Management), CFA

Leigh Natus, Head of Macro and Quantitative Analysis

- Experienced in macroeconomic analysis
- BCom(Hons) (Economics)

Overview

The PSG Wealth House View SA Property Equity Portfolio returned a negative 4.16% in August 2026, compared with a negative 4.10% for the FTSE/JSE All Property Index. Eight of the portfolio's 16 holdings outperformed the benchmark during the period. Since inception, the PSG Wealth House View SA Property Equity Portfolio has generated an annualised return of 2.85%, compared with 2.71% for the FTSE/JSE All Property Index.

Philosophy

We apply a disciplined, bottom-up, quality-biased investment philosophy in our stock selection. The central concept underlying quality investing is the pursuit of companies with durable competitive advantages, resilient balance sheets, and the ability to consistently generate high returns on capital. In our view, a company that combines strong fundamentals with long-term growth potential qualifies as an attractive investment. Accordingly, we prefer companies that exhibit sustainable earnings power, sound governance, and proven capital allocation discipline, while remaining cognisant of momentum factors that can drive shorter-term share price performance. We also look for businesses with a strong confidence rating, demonstrating prudent debt management and operational resilience. We ensure that the portfolio is diversified across multiple sectors and regions.

In addition, we integrate macroeconomic analysis and liquidity considerations to support sector and security selection, recognising that opportunities vary with changing environments. Our process can be summarised as a pragmatic approach to investing. Thus, investments are not only chosen on their potential value but also their quality. As such investments are screened for their profitability, the quality of their reported earnings, dividend policies as well as their financial structure. There is no guarantee that all the chosen companies will outperform; a few will more than likely underperform. However, the portfolio displays below-average risk and is fundamentally undervalued. As a group, their future investment returns should, therefore, be satisfactory. macroeconomic analysis and liquidity considerations to support sector and security selection, recognising that opportunities vary with changing environments.

Our process can be summarised as a pragmatic approach to investing, where investment choices are guided by both the inherent quality of the businesses and the broader economic context. Thus, investments are not only chosen based on their valuation but also on their structural quality and sustainability. As such, companies are screened for profitability, the consistency and transparency of their earnings, and their ability to reinvest in growth without compromising financial stability. While not all chosen companies will outperform, the portfolio aims to balance risk prudently while positioning for long-term, sustainable returns.

Investment objective

We strive to buy high-quality assets trading at a discount to our estimation of its intrinsic value. We expect the investment to rerate to its intrinsic value over the medium term, which if consistently applied, should lead to long-term capital growth. Through this process, we aim to grow wealth while consistently guarding clients against the risk of permanent capital loss.

Market commentary

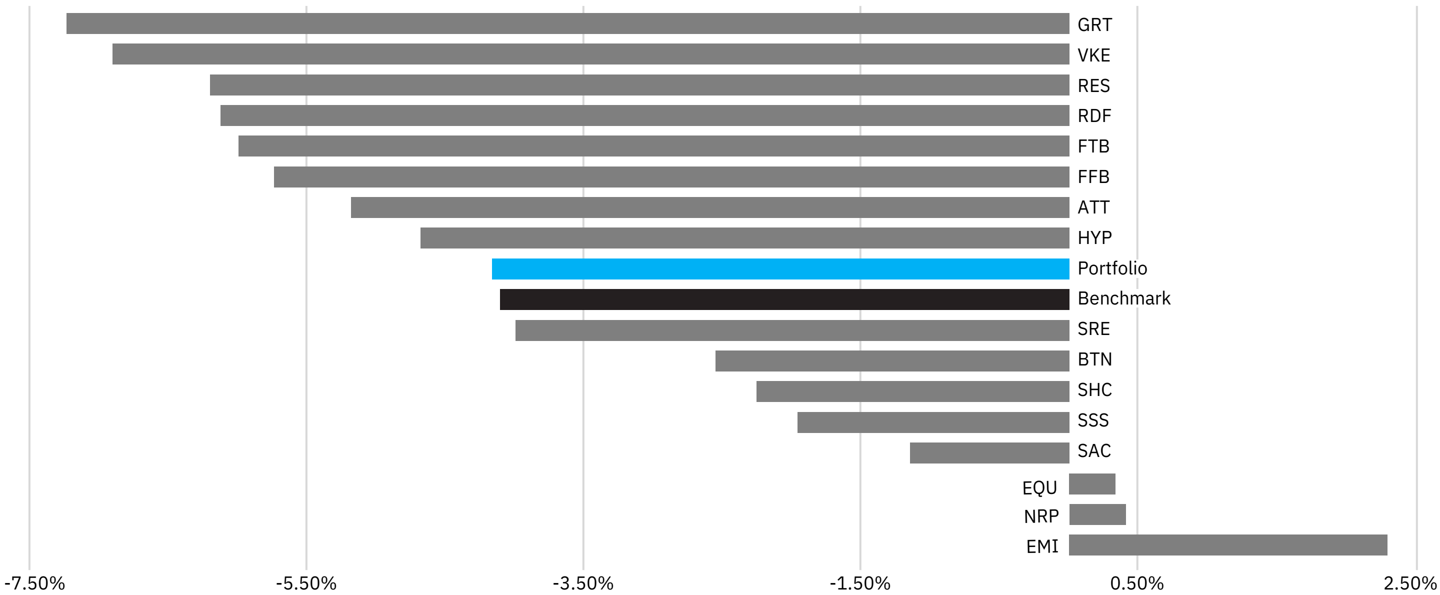
During August 2026, the MSCI Emerging Market Index Net TR (USD) gained 3.21%, but declined by 1.98% in ZAR, as the stronger rand offset positive dollar-denominated returns.

South African listed property improved in 2Q26, recovering from weaker performance late in 1Q26. The sector benefitted from a decline in the SA 10-year government bond yield, from 9.17% on 31 March to 8.45% by 30 June. This was partly offset after the SARB raised the policy rate by 25 basis points (bps) to 7% in May.

Lower bond yields improved sentiment toward listed property, but the rate hike, renewed inflation concerns, higher oil prices, and global uncertainty constrained the potential for a broad sector re-rating. Performance depended more on company-specific factors, with investors favouring counters with visible earnings growth, stronger balance sheets, manageable refinancing risk, and reliable distribution growth.

Stock selection remains important, especially within SA-focused property names. While sentiment has improved, the domestic interest-rate outlook is uncertain and global markets remain volatile. This supports a selective reassessment of some offshore listed property exposure, rather than a broad shift away from the current SA-focused positioning.

Performance attribution



Significant contributors and detractors

Emira Property Fund: EMI rose 2.30% in August, outperforming the broader listed-property sector. With no material company-specific trading or earnings update during the month, the gain appears largely stock-specific and likely reflects a partial recovery following the share's weakness in July.

NEPI Rockcastle: NRP gained 0.40% after reporting solid interim results, with net operating income up 3.80%, distributable earnings per share up 3.50% and occupancy remaining high at 98.20%. Management also raised FY2026 distributable earnings guidance to growth of 3.50%–4.00%, helping the share outperform a weaker property sector.

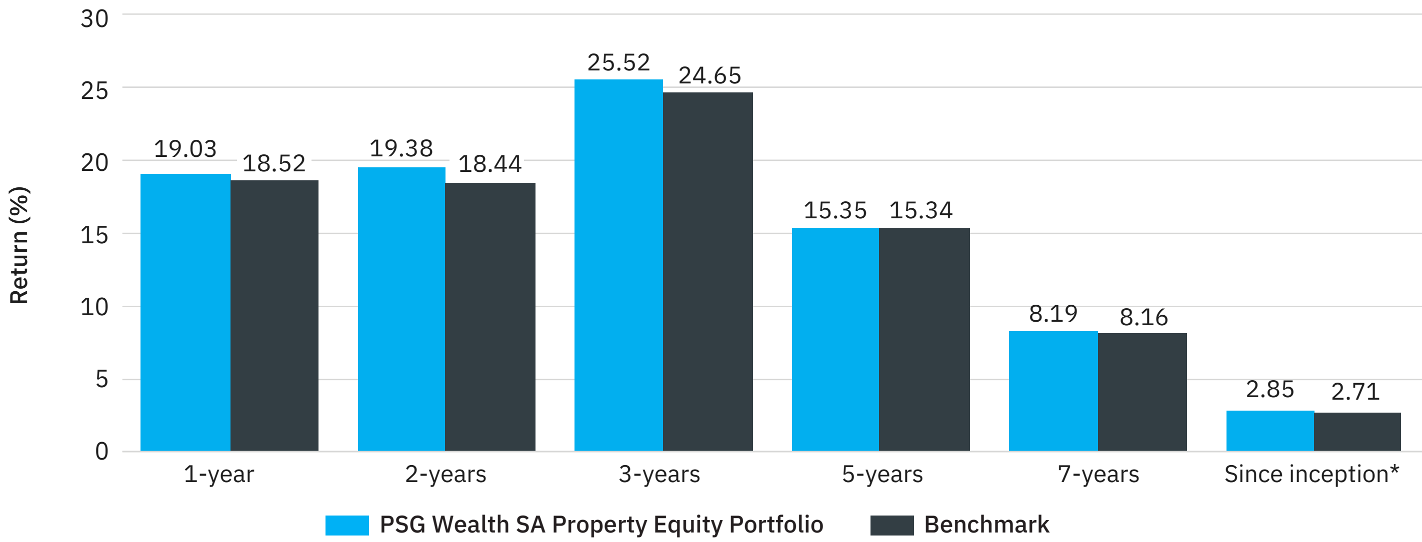
Equites Property Fund: EQU edged 0.34% higher in August, outperforming the broader property sector following its late-month pre-close update, which maintained a constructive outlook, including FY2027 dividend-per-share growth guidance of 5%–7%. Its logistics-focused South African portfolio and ongoing capital recycling continued to support the investment case.

Resilient REIT: RES fell 6.19% despite reporting strong interim results, including 11.70% dividend growth, 6% like-for-like South African net property income growth and vacancies of only 1.90%. The decline appears to have reflected broader sector profit-taking, while management's unchanged FY2026 distribution-growth guidance of at least 9% and its indication that the first-half interest-rate benefit would not repeat may have limited further upside.

Vukile Property Fund: VKE declined 6.90% in August despite a positive funding update, with its R1.10 billion bond auction more than 3.30 times subscribed and priced tighter than initial guidance. The weakness therefore appears to have been driven primarily by profit-taking following the share's strong earlier performance and the broader August pullback in listed property, rather than a material negative company-specific development.

Growthpoint Properties: GRT fell 7.24% in August, underperforming the broader property sector ahead of its FY2026 results in September. With no major negative earnings announcement during August, the decline appears to have been driven largely by sector-wide profit-taking and investor positioning ahead of the upcoming full-year results rather than a specific deterioration announced during the month.

Annualised return percentage



*Inception Date: 14 November 2015
Please note that the returns are before fees

Mandatory disclosure

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