Momentum Namibia Collective Investment Scheme (CIS) fund
Minimum disclosure document (MDD) at 31 July 2026
Investments managed by: Momentum Asset Management Namibia in Namibia

momentum investments

Momentum Namibia Defensive Growth Fund

Momentum outcome-based investing philosophy

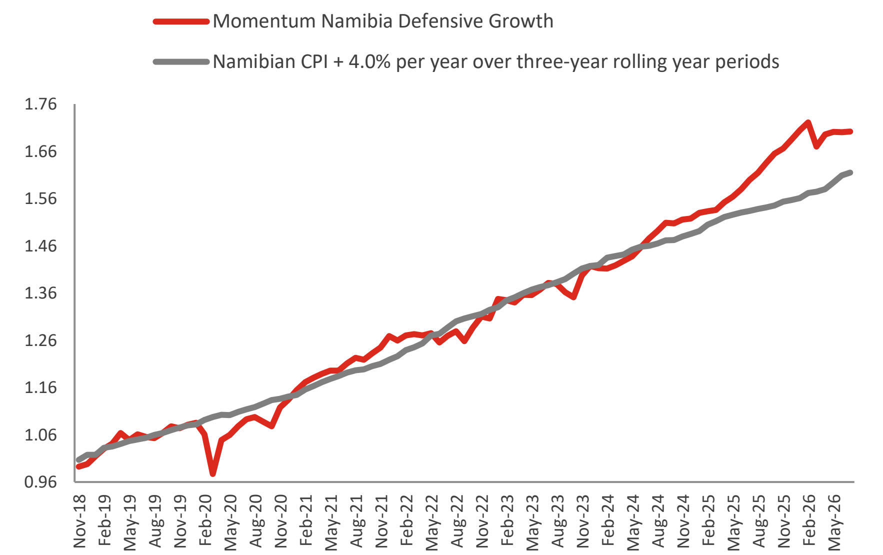
Investment success is about consistently maximising the probability of you achieving your investment goals – whether that is to preserve capital, generate an income stream in retirement or grow wealth within the parameters of a certain risk profile. In response to the ever-evolving investment landscape, we have constructed a leading range of outcome-based solutions that set their sights beyond mere benchmarks and instead focus on the things that matter the most to you – ensuring we maximise the probability of you achieving your investment goals. Outcome-based investing is about placing your goals at the centre of our investment process.

Investor profile and strategy

This investment fund is a low to medium equity, multi-asset-class fund with the objective of delivering a consistent real total return above inflation plus 4% a year over three-year rolling periods. The investment fund is aimed at investors who have an intended investment horizon of three years or longer. It has a medium- to long-term investment horizon and, therefore, they tend to have a moderate exposure to growth asset classes (local and global equities and property). The investment fund consists of the full universe of asset classes, including global investments of up to 30% (excluding Africa). The remaining exposure is to asset classes that should preserve the purchasing power of the capital accumulated. Through the optimum selection of asset classes, the probability of achieving the outcome is maximised within acceptable risk parameters.

Investment returns

Cumulative returns graph



Investment returns

	One month	Three months	Six months	One year	Launch
Fund	0.15%	0.63%	-0.41%	10.50%	9.23%
Benchmark	0.59%	3.53%	5.51%	8.39%	8.22%

Fund information

Benchmark	Namibian CPI + 4.0% per year over three-year rolling year periods
Fund size	N$ 102.73 million
Fund inception	1 November 2018

The inception date depicts the start date of this fund on the scheme and the launch date depicts the start date of returns from the relevant class of this fund.

Launch date	1 November 2018
Launch price	100.00 (cpu)
Latest price	143.04 (cpu)
JSE alpha code	MNDGA
ISIN number	ZAE000262887

Minimum investment amount

Lump sum	N$2000	**Monthly**	N$200

Fund manager

John-Morgan Bezuidenhout
Mcom

Fund fees

Initial management fee	0%
Annual management fee	1.10%

Cost ratios to 31 March 2026

Total Expense Ratio (TER)	1.31%
Transactions Costs (TC)	0.01%
Total Investment Charges (TIC)	1.32%

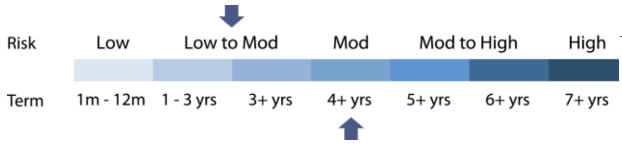
Please see the disclosures section for further information on the cost ratios.

Income distribution (cpu)

Date	Dividend	Interest	Total
Sep'25	0.047	0.136	1.827
Dec'25	0.105	0.292	0.397
Mar'26	0.346	1.407	1.753
June'26	0.062	0.228	0.290

Distribution takes place quarterly at March, June, September and December.

Risk/reward profile

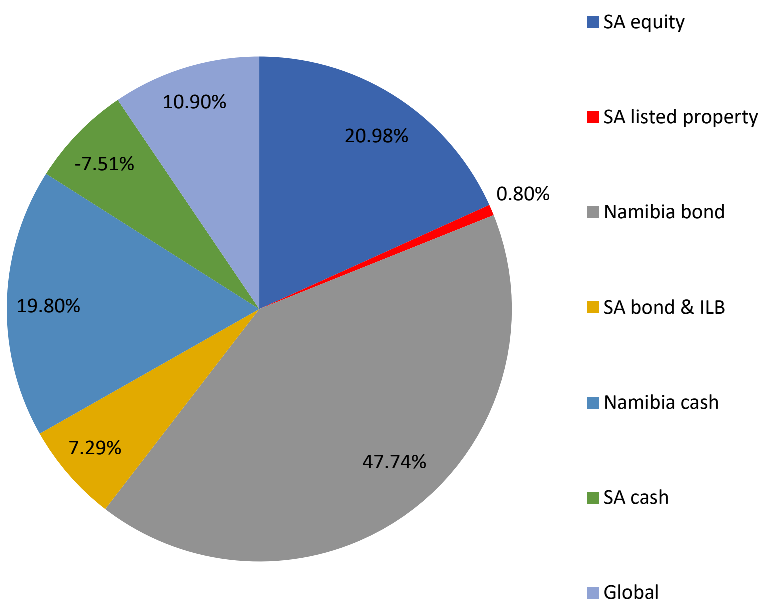


Specific risks

This investment fund is permitted to invest in foreign securities which, within investment funds, may have additional material risks, depending on the specific risks affecting that country, such as potential constraints on liquidity and the repatriation of investment 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.

Holdings

Exposure (%)



Top holdings (%)

M&G Namibian Inflation Plus B	39.92%
Vanguard Tot World Stk Etf	8.12%
Mnbfb2 Momentum Namibia Bond Fund B2	7.83%
Nedbank Namibia Call Acc 6.3%	6.51%
Milb1 Momentum Inflation Linked Bond Fund	5.86%
Bnk Of Windhoek Call 6.25%	5.60%
Cash_Nad	5.46%
Call Std 120617 2.00%	3.77%
Mom Capped Swix Index A2	3.10%
Naspers Limited	1.54%
M&G Namibian Inflation Plus B	39.92%

Fund objective/investment policy

The Portfolio is a multi-asset absolute return fund designed for cautiously minded individuals and funds. It is ideal for members who are close to retirement, in retirement and/or for protection of general savings from inflation. Investors would have a shorter investment horizon compared to members investing in balanced funds or general equity funds. The Portfolio's aim is to provide investors with low to moderate long term real returns with a limited level of capital protection.

Management of withdrawals

Due to the lower liquidity and the lack of diversification in the Namibian market, the investment manager requires advance notice for large withdrawals from the investment fund. Where the client cash flow activity results in breaches of the investment mandate the investment manager will need a reasonable period to rectify the breach/es.

Regulatory and investment constraints

The investment fund must comply with Namibian local asset requirements, as determined by Regulation 13 of the Pension Funds Act, number 24 of 1956. Assets must be invested in accordance with the requirements set out in the Namibian Unit Trust Control Act, 1981, as may be amended or replaced from time to time. Global investments may be included to a level not exceeding restrictions as determined by the Exchange Control Act regulations and any other limits specified in this investment mandate. If the allowable regulatory limit is raised in Namibia, approval will need to be obtained from the Namibian Central Bank to increase the exposure. The investment fund will not be leveraged in any form. The investment fund will, apart from assets in liquid form, consist solely of units in a unit trust/collective investment scheme and other forms of participation in local unit trust/collective investment schemes, or other similar schemes operated in territories with a regulatory environment that is to the satisfaction of the client and of a sufficient standard to provide investor protection, at least equivalent to that in Namibia, which is consistent with the investment fund's primary objective, investing in equity securities, property securities, money market instruments, preference shares, government and corporate bonds, inflation-linked bonds and other interest-bearing securities and investments. The investment fund is managed in line with applicable prudential investment guidelines with a minimum local asset requirement allocation to Namibian investments. The investment fund may from time to time be invested in listed and unlisted derivative instruments, for the purpose of hedging exchange rate risk. All income accruals due to the investment fund will be re-invested upon receipt thereof, unless otherwise instructed by the client.

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Economic and market overview

The Momentum Defensive Growth Fund is a multi-asset, absolute return portfolio that is aligned to Momentum's outcome-based investment philosophy. The portfolio aims to deliver on its objective of NCPI+4%, before fees, over a rolling four-year period while targeting to preserve capital over rolling 12-months period. The fund invests both locally and globally. The underlying managers are responsible for the asset allocation decisions for their individual portfolios, and their selection/combination is a function of their combined output, which gives us the best probability of achieving the desired investment outcome. Our ongoing review process focuses on the availability and sustainability of investment strategies and the robustness of the building block in various market conditions. This portfolio has two underlying managers: Momentum Investments and M&G Investments.

The second quarter was influenced by shifting monetary policy expectations, geopolitical developments and sustained momentum in AI-led technology. Early in the quarter, investor sentiment improved as markets moved away from defensive positioning, supported by renewed optimism around AI infrastructure and semiconductor companies. The landmark SpaceX Nasdaq listing, the largest IPO on record, further supported global risk appetite. Developments in the Middle East remained a key driver of market direction. Higher oil prices early in the quarter lifted inflation expectations and complicated the outlook for central banks. However, Brent crude moved below US$80/barrel towards quarter-end as concerns around supply disruptions eased, supported by progress in peace negotiations and the announcement of a 60-day suspension of US sanctions on Iranian oil and petrochemical exports. Lower energy prices helped underpin broader market sentiment, despite ongoing concerns around elevated core inflation.

Central bank policy continued to diverge across major economies. The US Federal Reserve kept interest rates unchanged at the first meeting under Chair Kevin Warsh, while the European Central Bank and the Bank of Japan tightened policy further. By contrast, China maintained an accommodative policy stance to support slowing domestic growth. Against this backdrop, the IMF expects global GDP growth to moderate to 3.1% in 2026 from around 3.4% in recent years, pointing to a global economy that remains resilient, but is gradually losing momentum. Global equity markets largely looked through geopolitical uncertainty in June, moving higher despite mixed developments in the Middle East and changing central bank signals. The MSCI All Country World Index gained 14.9% in US dollar terms, supported by strong US market performance, with the S&P 500 up 15.2%, the Dow Jones up 13.4% and the NASDAQ leading with a 21.6% gain for the quarter. Developed markets, as measured by the MSCI World Index, returned 13.8%, underperforming emerging markets, which advanced 24.1% in US dollar terms. Emerging market strength was supported by a sharp rally in South Korean equities, with the KOSPI up 66%, alongside gains in Japan where the Nikkei 225 rose 33.3%. Global bonds delivered a muted return, with the Bloomberg Global Aggregate Bond Index up 0.9% in US dollar terms. Namibian markets delivered a strong performance during the quarter. The NSX Overall Index increased by 7.49%, while the NSX Local Index gained 3.3%. Fixed income markets also performed well, with the IJG Bond Index returning 6.8% and the IJG Money Market Index delivering 1.7%, all in Namibian dollar terms.

South African assets delivered a mixed performance. Equities disappointed and continued to lag global peers, with the FTSE/JSE All Share Index down 2.4% as weaker precious metals prices weighed heavily on the resource sector, pulling resources 19.7% lower. By contrast, financials rose 8.0% and industrials gained 4.8%, while listed property was a standout performer, with the FTSE/JSE All Property Index up 10.5%. South African fixed income posted solid gains, with the FTSE/JSE All Bond Index returning 7.9% and inflation-linked bonds up 6.5%. Cash, as measured by the STeFI Composite, delivered a steady 1.7%, all in rand terms.

US macroeconomic data pointed to an economy that remained resilient but was showing signs of cooling. First-quarter GDP was revised to 2.1% q/q, as softer consumer spending and inventory build weighed on growth. Inflation remained sticky, with CPI rising to 4.2% y/y in May from 3.8% in April, broadly in line with expectations. Against this backdrop, newly appointed Fed Chair Kevin Warsh adopted a more hawkish tone at his first meeting, keeping rates unchanged but removing the easing bias and reinforcing that rate cuts are no longer the base case. Policy is therefore likely to remain higher for longer and could tighten further if inflation persists. Trade policy briefly re-emerged after a US court ruling challenged aspects of the 10% global tariff, although no nationwide suspension followed as the administration appealed.

The UK economy expanded by a stronger-than-expected 0.6% q/q in the first quarter, up from a revised 0.2% in Q4 2025, signalling a modest but uneven recovery. Inflation remained above target, with CPI easing to 2.8% y/y in May from 3.0% in April, while the Bank of England held rates steady at 3.75%, citing ongoing risks from elevated energy prices and persistent services inflation. Deepening political fragmentation and leadership speculation following the latest local elections added to volatility, keeping markets focused on potential shifts in policy direction.
Eurozone inflation edged higher, with CPI increasing to 3.3% y/y in May from 3.2% in April. The rise in oil prices following Middle East tensions added to concerns around the region's growth-inflation trade-off, particularly given Europe's reliance on imported energy. In response, the ECB raised its three key policy rates by 25 bps, signalling a firm stance against near-term price pressures. At the same time, the Bank revised its macroeconomic outlook, lifting inflation projections on higher energy assumptions while trimming growth forecasts to 0.8% for 2026 and 1.2% for 2027, underscoring a more stagflation-leaning risk balance.

Japan's inflation remained steady at 1.4% y/y in May, unchanged from April and broadly in line with expectations, as price pressures remained contained but persistent. In response, the Bank of Japan continued its gradual policy normalisation, raising rates to 1% and signalling the possibility of further tightening as it moves away from its longstanding ultra-loose stance. Energy costs and underlying inflation dynamics remain key watchpoints. Early in the quarter, Japanese markets were supported by AI-driven demand, renewed appetite for technology and growth equities, sustained yen weakness and lower oil prices, which provided relief for Japan as a major energy importer.

China's inflation remained subdued, with CPI holding steady at 1.2% y/y in May, unchanged from April but slightly below expectations of 1.3%, underscoring persistent domestic demand weakness. Against this backdrop, the People's Bank of China kept policy settings unchanged, leaving the one-year Loan Prime Rate at 3.00% and the five-year rate at 3.50%, in line with expectations. Policy remained broadly accommodative, with the PBOC continuing to support a slowing economy while fine-tuning liquidity conditions, including the introduction of overnight repos to improve control over very short-dated money market rates and strengthen transmission at the front end of the curve.

South African inflation rose to 4.7% y/y in May from 4.0% in April, in line with expectations and reinforcing concerns that price pressures are moving back toward the upper end of the SARB's tolerance band. In response, the SARB maintained its hawkish stance, raising the repo rate by 25 bps to 7.0% at its May MPC meeting and signalling continued vigilance against inflation risks. Locally, political uncertainty weighed on sentiment, with GNU dynamics and proposed cabinet adjustments testing coalition cohesion, including reported discussions around key ministerial reshuffles. Moody's revised South Africa's outlook to positive from stable, while keeping the sovereign rating unchanged at Ba2 on the back of progress in fiscal consolidation. Fitch followed suit and upgraded its rating to BB. Both agencies cautioned that ongoing structural growth bottlenecks and rigid labour market constraints are likely to continue limiting near-term rating momentum.

Namibia's inflation remains contained but has edged higher in recent months, mainly due to fuel and transport costs. In response, the Bank of Namibia raised its repo rate by 25 bps to 6.75%, maintaining a cautious tightening stance to anchor inflation expectations and support the currency peg to the South African rand. The outlook has been revised higher on external cost pressures, alongside warnings of softer domestic demand. Monetary policy remains closely aligned with the South African Reserve Bank, reflecting a broadly synchronised regional tightening cycle. Growth remains mixed, with weakness in mining and tourism offset by services and public investment, while fiscal and external vulnerabilities persist. Namibian markets performed well during the quarter, with the NSX Overall Index rising 7.9% and the NSX Local Index gaining 3.3%. Fixed income markets also delivered positive returns, with the IJG Bond Index up 6.8% and the IJG Money Market Index returning 1.7%, all in Namibian dollar terms. Supported by the rand peg, the Namibian dollar strengthened against major currencies over the period. It appreciated by 4.2% against the US dollar, 3.6% against the British pound and 4.9% against the euro, reflecting broad-based gains across major developed market currency pairs.

Commodities delivered a mixed, two-part performance. Industrial metals outperformed, with copper up 10% and zinc gaining 12%, supported by relatively firmer growth expectations and tight supply dynamics. By contrast, precious metals came under pressure, with gold down 12%, silver falling 19%, platinum declining 18% and palladium losing 14%, reflecting weaker sentiment and shifting rate expectations. Energy was the standout underperformer, with Brent crude sharply lower by 38.4%, driven by easing geopolitical risk premiums and softer demand signals.

Portfolio positioning, investment strategy & activity

The second quarter was notably less volatile than the first, with South African equities trading within a relatively tight range at an index level. Bonds generated strong positive returns, while the May rate hike weighed on cash markets. Global equity performance was more varied, with markets linked to the AI expansion theme, such as Korea and Taiwan, delivering strong gains, while US equities advanced on the back of a solid earnings reporting season.

Relative to the benchmark, the fund was positioned as follows:

The fund was overweight Namibian bonds, South African equities and Namibian cash. Its largest underweight positions were in South African bonds, South African listed property and global bonds.

Contact and other information

Scheme

Momentum collective investments Namibia Scheme

Custodian/Trustee

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Registration no.: 2002/0180

Management company

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Registration no.: 2003/781

Disclosures

This investment fund is administered by Momentum Collective Investments Namibia Limited (the management company), registration number 2016/0954, which is authorised in terms of the Unit Trust Control Act to administer collective investment schemes (CIS) in securities. The management company is the manager of the Momentum Collective Namibia Investments Scheme (the scheme) and a part of Momentum Metropolitan Namibia Limited, registration number 89/327, a long-term insurer, registered with the Namibian Financial Institutions Supervisory Authority, registration number 98/LT/03, under the Long-term Insurance Act, Act 5 of 1998. RMB Namibia, a division of First National Bank of Namibia, registration number 2002/0180 is the trustee of the scheme. Momentum Namibia Defensive Growth Fund of Funds is an investment fund of the Momentum Collective Investments Namibia Scheme and Momentum Asset Management Namibia (Pty) Ltd, registration number 2003/781, an authorised financial services provider is the investment manager of this investment fund.

Momentum Namibia Defensive Growth Fund of Funds is a fund of funds CIS. A fund of funds, apart from investments in liquid form, consists solely of participatory interests in investment funds of CIS, which may levy their own charges and could result in a higher fee structure for fund of funds than some other forms of CISs.

The total expense ratio (TER) is the percentage of the net asset value of the class of the investment fund incurred as expenses relating to the administration of the investment fund. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. A current TER may not necessarily be an accurate indication of future TERs. The disclosed TER is shown as an annual percentage based on data for the period from 01 April 2023 to 31 March 2026. The transaction costs (TC) ratio is the percentage of the net asset value of the investment fund incurred as costs relating to the buying and selling of the investments underlying the investment fund. Transaction costs are a necessary cost in administering the investment fund and affects investment fund returns. The TC should not be considered in isolation, as returns may be affected by many other factors over time, including market returns, the type of investment fund, the investment decisions of the investment manager and the TER. The disclosed TC is shown as an annual percentage based on data for the period from 01 April 2023 to 31 March 2026. The total investment charges (TIC) is the sum of the TER and the TC, and is shown as a percentage depicting the annual costs relating to the investment of the investment fund. Cost ratios are calculated using historical actual and/or estimated data and are provided solely as an indication/guide as to the annual expenses/costs that could be incurred. These ratios do not represent any current/actual charges or fees.

All investment fund returns are calculated for a class. Individual investor returns may differ as a result of fees, actual date(s) of investment, date(s) of reinvestment of income and withholding tax. All investment fund returns shown are after the deduction of the total investment charges (TIC) but exclude any initial or ongoing advisory fees that may, if applicable, be charged separately. Annualised returns, also known as compound annualised growth rates, are calculated from cumulative returns and provide an indication of the average annual return achieved from an investment that was held for the stated period. Actual annual figures are available from the management company on request. All investment fund return figures quoted (tables and charts where present) are at 31 July 2026, based on a lump sum investment, using net asset value (NAV) to NAV prices with income distributions reinvested on the ex-dividend date. Inflation figures, where present, are lagged by one month. Cash figures, where present, are Short-term Fixed Interest Composite Index returns. All figures quoted in are in Namibian dollar terms.

CISs are generally medium- to long-term investments. The value of participatory interests may go down as well as up and past returns are not necessarily a guide to the future. CISs are traded at ruling prices and can engage in borrowing and securities lending. The CIS may borrow up to 10% of the market value of the investment fund to bridge insufficient liquidity. Different classes of units apply to investment funds, which are subject to different fees and charges. A schedule of fees and charges and maximum commissions is available on request from the management company. The management company reserves the right to close and reopen certain investment funds to new investors from time to time to manage them more efficiently in accordance with their mandate. This investment fund is valued daily at 24h00. Latest prices can be viewed at momentum.com.na and in some national newspapers. Forward pricing is used. Instructions must reach the management company before 14h00 to ensure same-day value. The management company does not provide any guarantee, either with respect to the capital or the return of this investment fund. Additional information on the proposed investment including, but not limited to, brochures, application forms, the annual report and any half-yearly report can be obtained, free of charge, at momentum.com.na or on request from the management company.

This document should not be seen as an offer to purchase any specific product and is not to be construed as advice. Investors are encouraged to obtain independent professional investment and taxation advice before investing with or in any of the management company's products.

Sources: Morningstar, Momentum Investments