

VUNANI

FUND MANAGERS

VUNANI BOTSWANA MONEY MARKET FUND FACT SHEET

FUND INFORMATION UPDATE AT 30 JUNE 2026

WHAT IS THE FUND'S OBJECTIVE?

The fund was created in response to demand for cash management with a conservative bias. The objective of the fund is to provide investors with the highest level of current income that is consistent with capital preservation.

WHAT DOES THE FUND INVEST IN?

The fund invests in major banking entities or other similar rated institutions. It may also invest in certain government issues, as well as issues from top rated corporations.

WHO SHOULD CONSIDER INVESTING IN THIS

Retail: The fund provides active cash management while minimising risk. It suits individuals who have cash available to invest for the medium term, even though money may be required at relatively short notice.

Institutional: This fund is suitable for clients holding large cash balances, but whose funds need to remain liquid for operational reasons. Clients benefit from wholesale cash management yields at competitive fees.

POSSIBLE RISKS ASSOCIATED WITH THIS FUND

The possible risks associated with this portfolio include general market and economic risks, interest rate risk and bond yield fluctuations.

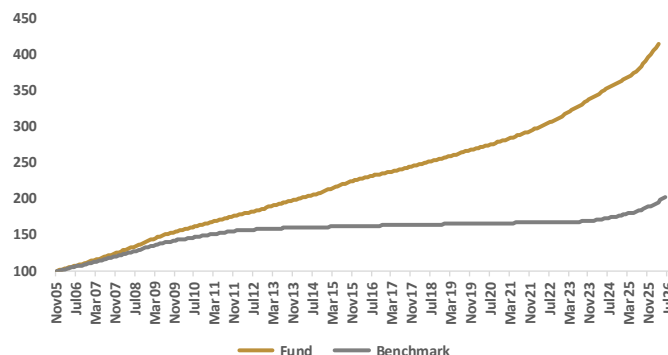
The fund invests in instruments across numerous institutions in various industries, this diversification reduces these risks.

PERFORMANCE

Returns (%)	3 months	1 yr	3 yrs	5 yrs
Gross				
Return	3.14	13.44	9.33	8.24
Benchmark	3.16	10.90	6.26	3.92

Returns shown are cumulative for all periods shorter than or equal to 1 year, and annualised for all periods greater than 1 year.

CUMULATIVE PERFORMANCE



GENERAL FUND INFORMATION

Fund managers Jonathan Paledi & Kennedy Manopolwe
Fund size (P) 2.9 billion
Fund class A
Inception date 19 Oct 2004

Classification Botswana Money Market
Benchmark* 3 Month T-Bill + 2%
**(new benchmark effective 1st December 2023)*

ISIN number ZAE000123626
Alpha code SBMMA

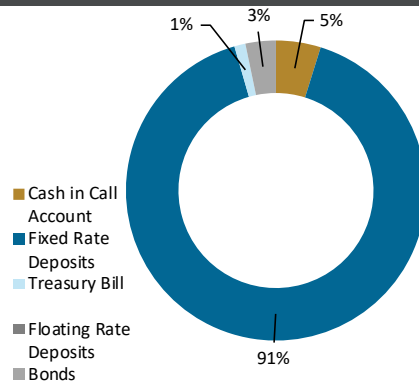
Minimum investment requirements

Lump sum P15,000
Monthly P1,000

RISK PROFILE

Conservative	Moderately conservative	Moderate	Moderately aggressive	Aggressive
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ASSET ALLOCATION



FEES

MAXIMUM CHARGES (INCL. VAT)

Initial fee (manager)	0.000%
Initial fee (adviser)	0.684%
Annual fee (manager)	1.140%
Annual fee (adviser)	0.285%
Performance fee	0.000%

ANNUAL COST RATIOS (INCL. VAT)

Base period	01/07/2023
TER	1.24%
TC	0.00%
TIC	1.24%
1 year TER	1.25%

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 distributed monthly.

Declaration: Monthly

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 (NBFIRA), 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 NBFIRA, Certificate No. NBFIRA 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). This portfolio is valued at 17h00. Forward pricing is used. Investments and repurchases will receive the price of the same day if received prior to 12h00.

This is a portfolio that derives its income primarily from interest-bearing instruments. The yield (if shown) is a current effective yield and is calculated daily.

All performance returns quoted are shown in BWP and are based on data sourced from 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).

FUND REVIEW

In Q2 2026, the fund's market value closed at BWP 2.9 billion, realising a notable uptick in flows from the prior quarter. The portfolio performance was in line with the benchmark during the quarter, amidst a marked decline in tenor deposit rates which proved challenging. However, the portfolio has outpaced the benchmark in the medium and long-term periods, delivering significant alpha.

MARKET OVERVIEW

Real GDP increased by 3.5% y/y in Q1 2026, reversing the 5.4% contraction realised in Q4 2025. The utilities sector rose by 87.4% amidst improved local electricity production and increased water output. Diamond Traders (60.5%); Mining & Quarrying (3.4%) and Education (4.7%) were the other notable contributors. Agriculture, forestry, and fishing, which realised a negative growth of 3.4%, was impacted by a decline in livestock farming (-9.0%) following the implementation of movement restrictions due to the outbreak of the Foot and Mouth Disease (FMD). Non-mining GDP realized growth of 2.7% y/y, surpassing 2.3% realised in the comparable quarter last year.

Headline inflation in June rose to 10.7% from 4.2% in March, breaching the upper bound of BoB's medium term objective range. The rise was occasioned by a combination of a significant increase in imported inflation, rising transport costs, and higher administered fuel prices by the Botswana Energy Regulatory Authority (BERA). From March (6.5% y/y) to April (28.5% y/y), transport inflation more than quadrupled, highlighting Botswana's vulnerability as a net energy importer.

The Monetary Policy Committee (MPC) at its June sitting maintained an unchanged stance to the Monetary Policy Rate (MoPR) at 5.5%. The MPC highlighted that inflation is expected to persist above the 3-6% objective range in the near term coupled by subdued growth emanating from adverse external developments and modest progress in the implementation of transformative initiatives.

OUTLOOK

The Ministry of Finance (MoF) forecasts economic output to grow by 3.1% in 2026, with the anticipated improvement in the non-mining sector, bolstered by the execution of developmental programmes such as the Botswana Economic Transformation Programme (BETP). With indications of Anglo American having identified a preferred bidder for De Beers sale, there are indications that a sale of the diamond mining giant may be imminent which ought to reduce uncertainty and improve prospects for diamond sector recovery.

The central bank forecasts inflation to average 9.0% (formerly 8.7%) in 2026 and 5.5% (previously 5.6%) in 2027, with inflation anticipated to remain above the objective range for the rest of the year. Inflation is anticipated to remain elevated due to the persistence of imported inflation and the second-round effects from higher transport costs, which will impact real incomes and domestic demand. Other additional inflationary pressures are likely to arise from the increase in other administered prices, encompassing the rise of electricity fares on 1 August 2026. Food inflation is likely to remain anchored and the dissipating base effects of the decrease in water tariffs last year will also skew inflation risks to the upside in the current year.

Money market yields (tenor deposits) remain on a downward trajectory supported by monetary policy measures including extension of repurchase agreement (repo) maturities, wholesale rates publication by BoB (i.e. better price discovery) and improving market liquidity dynamics such as resilient SACU revenues and recovering diamond sales augmenting government receipts.

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, Kgwebo2, 2nd floor, Fairgrounds, Gaborone
Tel: +267 391 0310
Email: moipolait@vunanifm.co.bw