

NEDGROUP
INVESTMENTS

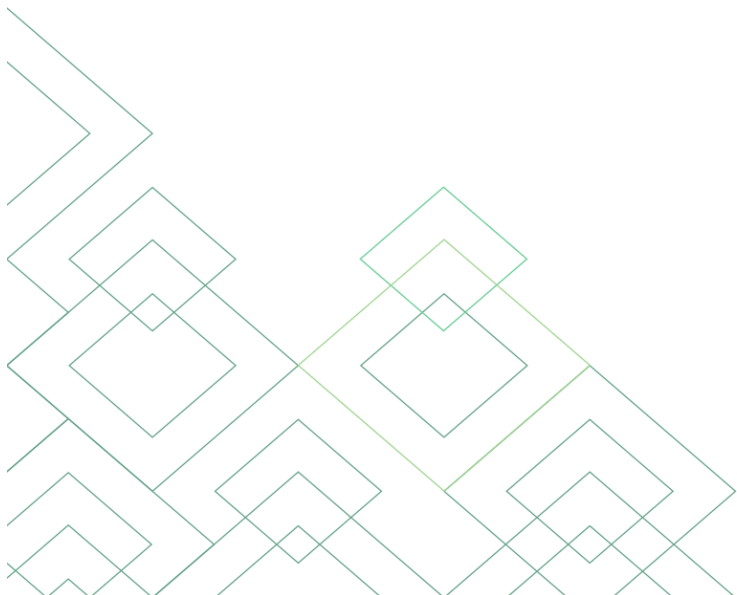
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NEDGROUP INVESTMENTS **MINING & RESOURCES FUND**

Quarter One, 2026





Nedgroup Investments Mining & Resources Fund

The commentary was produced in conjunction with the sub-investment manager, M&G Investments.

Total return as of 31 March 2026	Fund ¹	Peer Group ²
3 Months	7.93%	7.57%
6 Months	22.44%	19.15%
12 Months	80.18%	83.90%
3 Years (Annualised)	21.70%	26.70%
5 Years (Annualised)	17.85%	20.83%
10 Years (Annualised)	21.22%	20.52%

1. Nedgroup Investments Mining & Resources Fund, A class.

2. ASISA South Africa Equity Resources category

Market Commentary

Markets had a turbulent start to the year, with asset prices pulled in different directions by geopolitics, inflation concerns and shifting expectations for interest rates.

Geopolitical tensions escalated with conflict in the Middle East, disrupting energy markets and pushing Brent crude sharply higher in March. Risk assets weakened as markets reassessed inflation risks, while the US dollar strengthened into quarter-end. Gold initially benefited from safe-haven demand but later gave back gains as the stronger dollar and higher real yields weighed on non-yielding assets.

Attention centred on global oil supply routes and the risk of disruptions, and what that could mean for inflation. Against this backdrop, major central banks - including the US Federal Reserve, Bank of England, European Central Bank and Bank of Japan - held policy rates steady in March, while market pricing shifted to reflect fewer expected cuts and a more cautious path for monetary policy.

Commodities were a key driver of performance: oil rallied strongly, while precious metals were mixed - highlighting the volatility that defined the quarter.

Precious metals

Gold experienced an exceptionally volatile quarter. Prices rose sharply in late January (to a record level of \$5,589/oz) as investors moved into safe-haven assets ahead of the escalation in Middle East tensions. Strong physical demand and ETF inflows supported the rally.

The move proved difficult to sustain. By March, gold had corrected (to around \$4,503/oz) as a firmer US dollar and higher real yields reduced the appeal of non-yielding assets. ETF flows turned negative, while central bank purchases provided only partial support.

The South African 6-Element Platinum Group Metals Basket (priced in rand) increased 6.5% in Q1 2026 due to strong minor metals and a weaker rand. Iridium, ruthenium and rhodium all had a strong quarter, reflecting tight supply and niche industrial demand. These gains helped offset broader volatility across the precious metals complex.

By contrast, the major PGMs struggled. Platinum declined 9% and palladium fell 10% in USD terms, underperforming gold (+8%) and silver (+5%). Prices briefly lifted during January's risk-off move, but the rebound proved short-lived as dollar strength, higher real yields and subdued automotive demand weighed on sentiment.





Base and bulk metals

Copper and aluminium had a difficult first quarter, pressured by macro headwinds and uncertainty around global trade and growth. Copper weakened as slowing activity - particularly in China - tempered demand expectations. Aluminium also eased, weighed down by ample supply and softer end-market demand.

The near-term outlook remains cautious given weaker demand and ongoing macroeconomic pressures. However, medium-term fundamentals are more constructive: copper stands to benefit from electrification and grid investment, while aluminium could improve if manufacturing activity stabilises and supply-demand balances tighten.

Iron ore and Chinese steel also faced a challenging quarter. Prices traded above \$105/t in January on restocking ahead of Chinese New Year, but demand remained subdued as the property sector stayed weak and port inventories built. Iron ore slipped to around \$101/t in February before stabilising, averaging \$107.6/t in March.

Energy: Oil and coal

Oil prices were volatile in Q1, moving from relative stability in January to multi-month highs by March.

Entering the year, the market was more cautious, with supply-demand balances shaped by OPEC+ production discipline but capped by concerns over slowing global growth. The escalation in late February triggered a sharp rally, with Brent trading as high as \$120/bbl at points. Disruptions to LNG and LPG flows increased demand for oil as a substitute, while OPEC+ maintained production cuts of 2.2m bpd, tightening supply.

By quarter-end, prices had consolidated but remained elevated relative to January levels. Near-term volatility is likely to persist, with prices sensitive to developments in the Middle East and upcoming OPEC+ policy decisions.

Thermal coal strengthened through the quarter. Disruptions to LNG and LPG flows increased reliance on higher-grade Australian coal among Asian utilities - particularly in Japan and South Korea - supporting seaborne demand. The near-term outlook remains firm, although regional supply-demand dynamics and geopolitical developments are likely to drive performance.

Portfolio commentary

The fund's top five performing positions added 7.72% to returns over the quarter, while the bottom five positions detracted 1.41%.

Contributors	Ave. Weight	Performance Contribution	Detractors	Ave. Weight	Performance Contribution
AngloGold Ashanti Plc	19.33%	2.85%	Impala Platinum	5.76%	-0.73%
Glencore Plc	7.83%	2.63%	Harmony Gold	1.53%	-0.36%
Gold Fields Ltd	17.12%	1.08%	Sappi Ltd	0.80%	-0.28%
Exxaro Resources Ltd	3.80%	0.82%	Kumba	0.89%	-0.03%
Anglo American Plc	5.32%	0.34%	Mpact Ltd	0.39%	-0.01%
		7.72%			-1.41%





Current positioning and outlook

The portfolio remains positioned for elevated commodity volatility, with an emphasis on balance-sheet strength, free cash flow generation and assets that can perform across a range of macro-outcomes. We continue to favour gold exposure as a portfolio stabiliser, complemented by selective diversified resource names and income-supporting positions where valuation and cash returns remain attractive.

Gold remains the portfolio's largest sub-sector exposure on an absolute basis. Both AngloGold Ashanti and Gold Fields made positive contributions during the quarter. While we retain a relative preference for AngloGold Ashanti, we continue to hold Gold Fields, which is expected to benefit from near-term growth as the Salares Norte mine ramps up. Looking ahead, gold's direction is likely to be shaped by the path of real yields and the US dollar, as well as ongoing safe-haven demand and central bank buying.

Glencore contributed positively, supported by improving production expectations. Early, non-binding merger discussions with Rio Tinto did not progress to a formal offer as the parties were unable to agree on valuation. Beyond the merger speculation, Glencore remains a key relative beneficiary of higher forecast thermal coal prices and is well positioned to capture upside from commodity price volatility and regional dislocations through its Marketing division.

Exxaro performed well over the quarter, supported by a sum-of-the-parts re-rating of the coal business. The stock continues to offer an attractive dividend yield, further supported by the value ascribed to its manganese interests. While coal pricing can be cyclical, we continue to focus on cash generation, capital discipline and shareholder returns.

Impala Platinum was the largest detractor, with the stock underperforming relative to the commodity basket. While Impala has a portion of higher-cost assets, the acquisitions of Royal Bafokeng Platinum and Zimplats provide meaningful optionality and leverage to a recovery in PGM prices. We remain mindful that a sustained improvement in PGMs will likely require clearer evidence of demand stabilisation and/or supply rationalisation across the industry.

Key factors we are monitoring in the period ahead include:

- The trajectory of real yields and the US dollar, which remain key drivers of gold sentiment and valuation support for quality producers.
- China's growth and steel/industrial demand indicators, influencing bulk commodities and the earnings outlook for diversified miners.
- Energy market balance and policy decisions (including OPEC+), where renewed volatility can affect both inflation expectations and cash generation for energy-exposed holdings.
- Signs of stabilisation in PGM demand and/or supply rationalisation, which would be supportive for higher operational leverage names, while cost-curve discipline remains critical.

Responsible Investing Engagements

Q1 falls within the December results cycle. As in prior years, we used this period to engage with management teams on operational safety performance and decarbonisation strategies.

During the first quarter, our engagement activities included direct meetings with company leadership to address key governance and sustainability topics. One notable example was our interaction with Valterra Platinum, where we held a governance meeting with the chair and board members. The discussion centred on the company's strategic positioning following its recent demerger, as well as proposed changes to its remuneration policy.





Disclaimer

WHO WE ARE

Nedgroup Collective Investments (RF) Proprietary Limited is an authorised Collective Investment Scheme and the representative of Nedgroup Investments Funds PLC regarding the Collective Investment Schemes Control Act. It is a member of the Association of Savings & Investment South Africa (ASISA)..

OUR TRUSTEE

The Standard Bank of South Africa Limited is the registered trustee.

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HOW ARE OUR FUNDS PRICED

Funds are valued daily at 15:00. Instructions must reach us before 14:00 (12:00 for Nedgroup Money Market Fund) to ensure same day value. Prices are published daily on our website and in selected major newspapers.

FEES

A schedule of fees and charges is available on request from Nedgroup Investments. One can also obtain additional information on Nedgroup Investments products on our website.

DISCLAIMER

Unit trusts are generally medium to long-term investments. The value of your investment may go down as well as up. Past performance is not necessarily a guide to future performance. Nedgroup Investments does not guarantee the performance of your investment and even if forecasts about the expected future performance are included you will carry the investment and market risk, which includes the possibility of losing capital. Our funds are traded at ruling prices and can engage in borrowing and scrip lending.

Some funds may hold foreign securities including foreign CIS funds. As a result, the fund may face material risks, which could include foreign exchange risks, market conditions and macro-economic and political conditions.

A fund of funds may only invest in other funds, and a feeder fund may only invest in another single fund, both will have funds that levy their own charges, which could result in a higher fee structure.

The Nedgroup Investments Money Market Fund offering aims to maintain a constant price of 100 cents per unit. A money market fund is not a bank deposit. The total return to the investor is made up of interest received and any gain or loss made on any particular instrument held. In most cases the return will merely have the effect of increasing or decreasing the daily yield, but in an extreme case it can have the effect of a capital loss. Excessive withdrawals from the fund may place the fund under liquidity pressures and that in such circumstances a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. The yield is calculated using an annualised seven day rolling average as at the relevant dates provided for in the fund fact sheet. Nedgroup Investments has the right to close its funds to new investors in order to manage it more efficiently.

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