

Fund Objective

The objective of the fund is to achieve long-term capital growth by outperforming the MSCI Emerging Markets Total Return Net Index over a rolling three year period.

Fund Strategy

We invest in equities that are listed in emerging markets, or that have significant exposure in emerging markets. We specifically pursue shares that we have identified as trading at an attractive discount to their intrinsic value.

Why choose this fund?

Benefit from adding an international equity component to a fund, with a low correlation to developed markets.

Fund Information

Manager	Sanlam Asset Management Ireland
Listing	Irish Stock Exchange
Salient risk factors	This fund is relatively high risk in relation to other asset classes due to its equity based investment approach, however the investment manager aims to reduce the overall risk by adding value and through a fundamental stance.
Base Currency	US Dollar
Benchmark	MSCI Emerging Markets Total Return Net Index
Fund Size	\$94.4 million
Unit Price	\$1.4101
Fund launch date	2 June 2015
Minimum investment	\$10 million
Dealing/Redemption frequency	Daily
Dealing deadline	4 PM (Irish time on the business day preceding a dealing day)
Valuation point	Midnight (South African time) on each dealing day
Daily publication of prices	Irish Stock Exchange & www.sanlam.ie
Transfer agency	Northern Trust International Fund Administration Services (Ireland) Ltd

Fees (Incl. VAT)

	A1-Class (%)
Initial fee/Front end load	N/A
Annual Management Fee	0.95%
Management performance fee	15%
Total expense ratio	1.27%
Transaction cost	0.33%
Total investment charges	1.60%

Total Expense Ratio (TER) | of the value of the financial product was incurred as expenses relating to the administration of the product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.

Top 10 Holdings

Securities	% of Portfolio
Taiwan Semiconductor Manufacturing Company Ltd	6.94
Prosus NV	5.39
HDFC Bank Limited	5.07
PDD Holdings Inc	4.77
Genomma Lab International SAB de CV	4.56
Fu Shou Yuan International Group Ltd	4.45
Samsung Electronics	3.84
LIC Housing Finance Ltd	3.81
Arcos Dorados Holdings Inc.	3.58
Sberbank of Russia	3.47

Top 10 Holdings as at 30 Jun 2024

Performance (Annualised) as at 30 Jun 2024 on a rolling monthly basis

A1-Class	Fund (%)	Benchmark (%)
1 year	7.45	12.55
3 year	(7.69)	(5.07)
5 year	1.87	3.10
Since inception	3.08	3.71

Annualised return is the weighted average compound growth rate over the period measured.

Performance (Cumulative) as at 30 Jun 2024 on a rolling monthly basis

A1-Class	Fund (%)	Benchmark (%)
1 year	7.45	12.55
3 year	(21.33)	(14.44)
5 year	9.69	16.48
Since inception	31.35	38.79

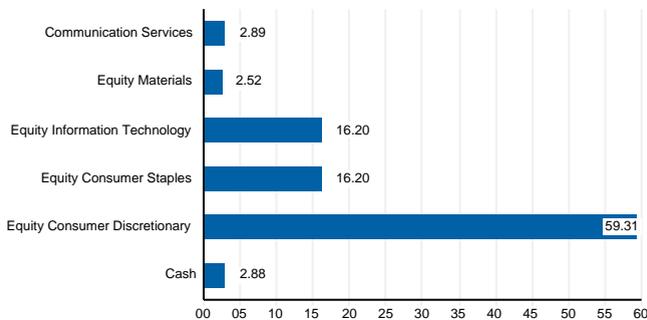
Cumulative return is aggregate return of the portfolio for a specified period

Risk statistics: 3 years to 30 Jun 2024

Std Deviation (Ann)	20.45
Sharpe Ratio (Ann)	(0.56)

Actual highest and lowest annual returns*

Highest Annual %	40.89
Lowest Annual %	(31.29)

Asset Allocation

Portfolio Manager(s) Quarterly Comment - 30 Jun 2024
Overview

MSCI Emerging Markets gained 5% over the quarter, outperforming Developed Markets (+2.2%) by 2.8%. The second quarter of 2024 presented a stark divergence in market performance across Emerging Markets. Asia saw substantial gains, driven by renewed confidence in China (overweight) and ongoing rallies in Taiwan and India (underweight). Conversely, major Latin American markets experienced a sharp pullback, with the Mexican and the Brazilian markets, where the fund is overweighted, decreasing with 15.9% and 12.1% respectively. This disparity underscores the diverse growth drivers within the emerging markets asset class.

In China, despite ongoing challenges, there are a few improvements in data and modest valuation rebounds were observed, although companies remain in the lower quartile of historical trading ranges. India's impressive growth continues, but elevated valuations temper our enthusiasm at the stock level, prompting us to focus on more attractive opportunities elsewhere. Taiwan's surge was led by TSMC, driven by the AI-theme, contributing significantly to the MSCI Emerging Markets index's performance.

Latin America's on-ground data revealed more nuance than the sell-off suggests. The Brazilian equity market has primarily been a play on lower interest rates and as such partly a derivative on Fed easing. As the market has scaled back its expectation for US rate cuts, the same has happened in Brazil which had weighed on local equities. Mexico faces uncertainties with newly elected President Claudia Sheinbaum and potential judicial reforms. Argentina, despite its upheaval, shows signs of incremental improvement. The fund holds seven positions in Latin America-primarily in Brazil, Mexico, and Peru-with our convictions still intact despite short-term concerns on macro, driven by best-in-class business models and management teams.

The top three markets were Turkey (+19.5%), Taiwan (+14.6%), and South Africa (+11.3%). The bottom three markets were Mexico (-17.2%), Brazil (-14.5%), and Indonesia (-13.1%). The top three sectors were Information Technology (+10.8), Communication Services (+7.3%), and Utilities (+5.1%) with the bottom three sectors being Health Care (-4.7%), Consumer Staples (-3.7%), and Materials (-2.4%). The best among major market-sectors were South Africa Financials (+20.5%), India Industrials (+19.7%), and Taiwan Info Tech (+17.7%). The worst among major market-sectors were Brazil Financials (-18.0%), Indonesia Financials (-15.1%), and China Consumer Staples (-11.1%).

The fund increased by 1.6% in the second quarter of 2024, unperforming the benchmark by 3.4% net of fees. The performance in quarter 2 and for the first half of the year was less impacted by regions and more so by individual stock picks. Short-term earnings concerns (all cyclical and not structural in nature) were a key driver of underperformance in shares like Yum China, Arcos Dorados and XP Holdings. We pay less attention to short-term fluctuations in earnings and focus on the long-term earnings power of the businesses and hence have used the opportunity to increase our holdings in a number of these businesses.

Portfolio changes

Three new shares were to the Portfolio in Q2, namely Ambev and Walmex in Mexico post the de-rating in these high-quality businesses and Americana Restaurants in Saudi Arabia. We have also taken the opportunity to add to some of our high conviction businesses, Arcos Dorados, Fu Shou Yuan, and Localisa. These are some of the best quality companies in the GEM universe in their respective sectors and are deeply discounted relative to our assessment of their long-term value. The entire remaining stakes in Wuxi AppTec, Odontoprev and China Medical Systems were sold in favour of better opportunities in their respective regions. We also trimmed our position in Aspen post its strong performance in Q2.

Contributors

The main contributors for the quarter were BIM, LIC Housing, HDFC and PDD Holdings. Other notable performers during the quarter were GDS, Pepco and Aspen. We continue to hold sizable positions in the shares mentioned above, as we find the margin of safety still appealing relative to other opportunities in the market.

Detractors

The main detractors for the quarter were Yum China, Arcos Dorados and XP Holdings. Other notable underperformers in the fund include TSMC, FEMSA and Localisa.

Outlook

The divergence in performance between Developed Markets relative to Emerging Markets, particularly the US for the last decade, has created a significant opportunity for long-term investors. As we always stress, markets move in cycles and in the long-term, the starting valuation matters. Emerging Markets trades on decade low multiples relative to its Developed World counterparts and have better growth potential in the long-term. A recent bottom-up analysis of our portfolio still shows a staggering 63% upside in local currency, a number we find extremely attractive. This upside combined with undervalued Emerging Markets currencies, make us positive on Global Emerging Markets as an attractive asset class for long-term investors.

Portfolio Manager(s)
Feroz Basa

B.Com (Hons)

Management of Investments

The management of investments are outsourced to Sanlam Investment Management (Pty) Ltd, FSP 579, an authorised financial services provider under the South African Financial Advisory and Intermediary Services Act, 2002.

Risk Profile (Aggressive)

You can afford to take on a higher level of risk (i.e. will have a greater exposure to equities in your portfolio) because of your investment time horizon, or your appetite for risk. You know that in taking the risk, you need to be patient if you want to achieve the results. So you are willing to invest for the long-term and are prepared to tolerate some volatility in the short term, in anticipation of the higher returns you expect to receive in five years or beyond.

Additional Information

The Fund is a sub-fund of the Sanlam Universal Funds plc, a company incorporated with limited liability as an open-ended umbrella investment company with variable capital and segregated liability between sub-funds under the laws of Ireland and authorised by the Central Bank. The Fund is managed by Sanlam Asset Management (Ireland) Limited, Beech House, Beech Hill Road, Dublin 4, Ireland, Tel + 353 1 205 3510, Fax + 353 1 205 3521 which is authorised by the Central Bank of Ireland, as a UCITS Management Company, and an Alternative Investment Fund Manager, and is licensed as a Financial Service Provider in terms of Section 8 of the South African FAIS Act of 2002.

The Sanlam Universal Funds Plc full prospectus, the Fund supplement, the MDD and the KIID is available free of charge from the Manager or at www.sanlam.ie. This is neither an offer to sell, nor a solicitation to buy any securities in any fund managed by us.

Any offering is made only pursuant to the relevant offering document, together with the current financial statements of the relevant fund, and the relevant subscription/application forms, all of which must be read in their entirety together with the Sanlam Universal Funds plc prospectus, the Fund supplement, the MDD and the KIID. No offer to purchase securities will be made or accepted prior to receipt by the offeree of these documents, and the completion of all appropriate documentation. A schedule of fees and charges and maximum commissions is available on request from the Manager.

This is a Section 65 approved fund under the Collective Investment Schemes Control Act 45, 2002 (CISCA). Sanlam Collective Investments (RF) (Pty) Ltd is the South African Representative Office for this fund.

The information to follow does not constitute financial advice as contemplated in terms of the South African Financial Advisory and Intermediary Services Act. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision, not all investments are suitable for all investors. Collective Investment Schemes (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future performance. Changes in exchange rates may have an adverse effect on the value, price or income of the product. 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 portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ based on the initial fees applicable, the actual investment date, the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors. Trail commission and incentives may be paid and are for the account of the Manager.

The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. Performance figures for periods longer than 12 months are annualised. The performance fee if applicable is accrued daily, based on performance over a rolling 6 month period with payment to the manager being made bi-annually. Performance fees will only be charged once the performance fee benchmark is outperformed. The portfolio management of all the portfolios are outsourced to regulated and authorised financial services providers.

Trustee Information**Northern Trust International Fund Administration Services (Ireland) Limited**

Tel no.: +353 1 434 5142, E-mail: Sanlam.Ta@ntrs.com

Glossary of Terms**Annualised total returns**

Annualised return is the weighted average compound growth rate over the period measured.

Capital growth/appreciation

Capital growth/appreciation is the profit made on an investment, measured by the increase in its market value over the invested amount or cost price. It is also called capital appreciation.

Equities

Equities are shares that represent an institution's or individual's ownership in a listed company. These shares are also the "vehicle" through which they are able to "share" in the profits made by that company. As the company grows, and the expectation of improved profits increases, the market price of the share will increase which translates into a capital gain for the shareholder. Similarly, negative sentiment about the company will result in the share price falling.

Shares / equities are usually considered to have the potential for the highest return of all the investment classes but also have the highest level of risk i.e. share investments have the most volatile returns over the short term. An investment in equities should be viewed with a 7 to 10 year horizon.

Undervalued equity stocks (Value investing approach)

This is a strategy of selecting shares that trade for less than their intrinsic values. Value investors actively seek stocks that they believe the market has undervalued. They believe the market overreacts to good and bad news, resulting in stock price movements that do not correspond with the company's actual long-term fundamentals. The result is an opportunity for value investors to profit by buying when the price is deflated.

Securities

A general term for shares, bonds, money market instruments and debentures.

Collective investment scheme (CIS)

Collective investment schemes (also called unit trusts) are portfolios of assets such as equities, bonds, cash and listed property, in which investors can buy units. They allow private investors to pool their money together into a single fund, thus spreading their risk across a range of investments, getting the benefit of professional fund management, and reducing their costs.

Total Expense Ratio (TER)

This is an indication of the total costs associated with managing and operating an investment administration, financial planning and servicing fees. These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which represents the TER.

Intrinsic Value

The actual value of a company or an asset based on an underlying perception of its true value including all aspects of the business, in terms of both tangible and intangible factors. This value may or may not be the same as the current market value.

Price to Earnings Ratio

Price to earnings ratio is calculated by dividing the price per share by the earnings per share. This ratio provides a better indication of the value of a share, than the market price alone.

Price to Book Ratio

Price to Book ratio is a financial ratio used to compare a company's current market price to its book value per share.

Dividend Yield

A dividend is the investor'