

Defensive Commodities Strategy

3-IN-1

The Ironclad Trend-Commodity Index + Strategy is designed to complement DTF and contribute to its objective of diversifying equity-centric portfolios. A differentiated set of sub-strategies offer an attractive absolute expected return profile while mitigating the risk of deep drawdowns. The strategy's intended return profile is to be uncorrelated with global equity under normal circumstances, but negatively correlated in the left tail.

Defensive Commodities Strategy comprises three sub-strategies, each contributing uniquely to the portfolio:

- (1) Fair-Weather Commodities: participate meaningfully in commodity bull markets
- (2) Trend-Following: mitigating bear market risk with attractive absolute return
- (3) Tail Hedging: outsized payoffs during sudden, severe market crashes

The sub-strategies combine well, offsetting each others' vulnerabilities, and make for a highly attractive strategy that is ideal to diversify core portfolios.

KEY INFORMATION

Inception Date	24 June 2024
<small>Date of full implementation</small>	
Benchmark:	50% GSG 50% KMLM
Fixed Fee:	1% p.a.
Performance Fee:	10% above a high water mark
Investment Objective:	High absolute returns Low equity correlation
Product name:	Ironclad Commodity Enhancement
ISIN	DE000A4AF9A5

PERFORMANCE

ACTUAL

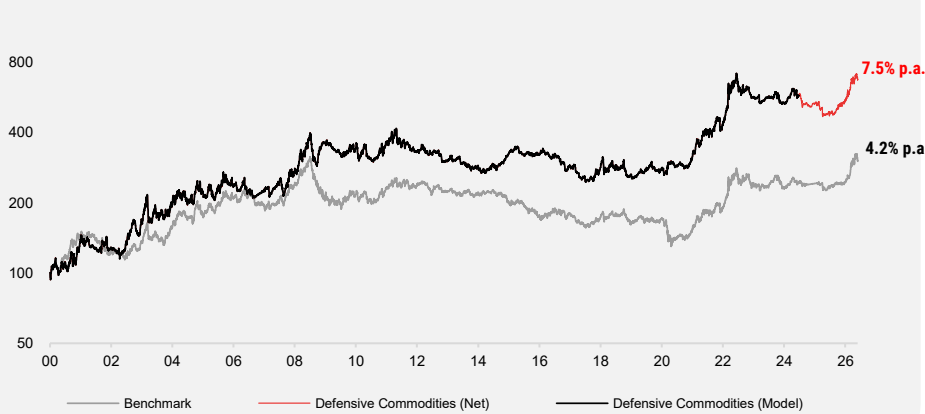
MODELLED

RISK METRICS

% Returns p.a.	1M	3M	YTD	1Y	LIVE	5Y	10Y	ALL	Volatility	Max Drawdown	Sharpe Ratio
Benchmark	-6.1	13.3	23.0	32.3	11.5	10.5	5.2	4.2	13.9	-58.6	0.12
Strategy (Net of Fees)	-3.8	9.1	24.5	41.2	8.4	10.9	8.1	7.5	17.8	-41.1	0.27

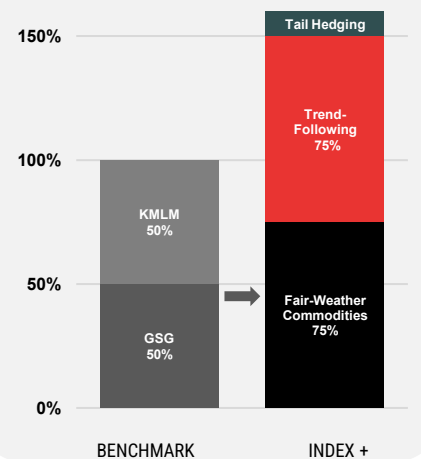
Source (31 May 2026): Bloomberg, OptionMetrics, KFA Mount Lucas, Société Générale, Ironclad. Past performance is not a guarantee of future performance. Returns presented are back tested, details on methodology are available upon request. Data is daily except the MLM Index data which is monthly, so we populate only intra-month data using SG Trend Index daily returns. Full period from 31 December 1999 to 31 May 2026. Strategy returns are rebalanced daily. Strategy returns are net of fixed and performance fees.

CUMULATIVE PERFORMANCE (LOG SCALE)

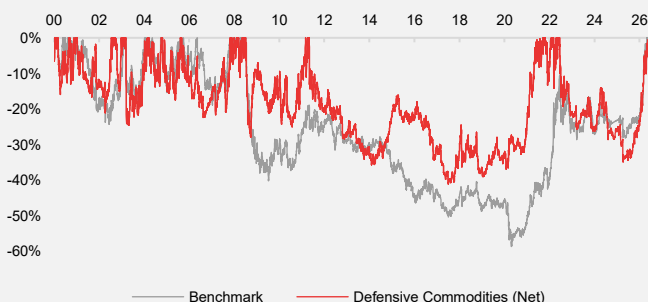


Source(31 May 2026): Bloomberg, OptionMetrics, KFA Mount Lucas, Société Générale, Ironclad. Past performance is not a guarantee of future performance. Full period from 31 December 1999 to 31 May 2026. Strategy returns are net of fixed and performance fees.

STRATEGY ALLOCATION



DRAWDOWNS



Source: Bloomberg, OptionMetrics, KFA Mount Lucas, Société Générale, Ironclad. Past performance is not a guarantee of future performance.

HOW THE FULL STRATEGY IS BUILT

Fair-Weather Commodities: Exposure to GSCI Index when the trend is positive using commodity futures

Trend-Following: Long/short markets that are rising/falling, profiting from a continuation of trends

Tail risk hedging: Crash protection to mitigate drawdowns that are both sudden and severe

RELATIVE PERFORMANCE: STRATEGY / BENCHMARK



EXPECTED OUTPERFORMANCE

Circumstances that have historically been conducive to our enhancements are:

- Market crashes: tail risk hedging provides explosive gains when panic sets in and volatility surges
- Slow bear markets: once trend-following adjusts to falling markets
- Steady bull markets: fair-weather comms and trend-following benefit from rising markets

We manage the strategy systematically, applying a rules-based process to all decisions from asset allocation to monetisation

EXPECTED UNDERPERFORMANCE

- Sharp reversals: trend-following takes some time to adjust when previously trending markets experience sharp reversals
- Sideways markets: sideways-bobbing markets devoid of trend result in losses from false starts

STRATEGY VS GLOBAL EQUITY



PORTFOLIO MANAGERS



CHRIS MARAIS

B.Com Actuarial Science
(Stellenbosch)

Chris has over 30 years of investment experience, and co-founded Citadel Investment Services where he was also CEO. He was also CEO and a co-founder of 1st Fusion Asset Management.



BRUNO SCHWABACH

CFA Charterholder
M.Com Finance (Wits)

Bruno has 8 years of investment experience and was a portfolio manager at 1st Fusion before co-founding Ironclad. He is a PhD candidate, has won multiple academic awards and publications in the Investment Analysts Journal.

DISCLAIMER

Risk Disclaimer

The portfolio/strategy may include underlying foreign investments and may therefore be exposed to macroeconomic, political, foreign exchange, tax, settlement, reporting, regulatory, liquidity, and repatriation risks that differ from investments in South African markets. Foreign investments may be adversely affected by foreign investment policies, restrictions on repatriation, exchange controls, taxation changes, and other regulatory constraints imposed by relevant authorities. Strategies may be implemented through private placement products. These structures may introduce additional risks. More detailed information on product-specific risks is contained in the applicable Information Memorandum, available on request from Ironclad. Prospective investors should carefully consider all risk factors before investing

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