

The Hundred *Times*

OCTOBER 2025

EDITION 8



Peregrine
Capital™

A Warm Welcome from *Jacques Conradie*, our CEO and Portfolio Manager

Welcome to the latest edition of Peregrine Capital's newsletter, where we share our views and news about our business, our funds, and why hedge funds should form part of a growing and diversified investment portfolio. This edition includes our perspective on Q3 of 2025, following the **semi-annual investor letter** we published in July 2025.

We share regular updates and insights on our **LinkedIn** page, so please follow us to stay updated with what we're working on as we continue to deliver on our purpose of creating wealth for our clients.





Peregrine Capital's Quarterly *Review*

Discover the market dynamics impacting our funds' performance during the third quarter of 2025, as discussed by Justin Cousins, portfolio manager at Peregrine Capital.

The Peregrine Capital High Growth Fund delivered a net return of 5.0% for the third quarter of 2025. This compares with the S.A. Multi Asset High Equity Index, which gained 5.9%. The Peregrine Capital Pure Hedge Fund delivered a net return of +3.3% for the third quarter of 2025. This compares with the S.A. Multi Asset Low Equity Index, which gained 4.7% in the quarter.

Attribution

Companies in the resources, technology, and semiconductor sectors drove the majority of the positive fund performance, while exposure to retail, insurance, and payments sectors detracted from performance in the quarter.

Macro

The domestic equity market delivered strong returns during the quarter, with the JSE Capped SWIX advancing by 12.8%. This was driven by an exceptional 50% rally by companies in the resource sector, generally, and precious metals and platinum group metals in particular. Excluding the resource sector, the balance of domestic S.A. was approximately flat for the quarter as asset managers increasingly sold these shares to close underweight positions in the resources space. Local bonds advanced, likely owing to sustained rhetoric from the SARB on their ambition to adopt a lower inflation target range. At a macro level, structural reforms continue to move ahead slowly, and the outlook for meaningful domestic growth appears muted in the short term.

Equity markets continue to be fuelled by the expectation of higher growth rates driven by the artificial intelligence boom.

On the international front, the impact of U.S. tariffs has been less severe than many pundits had forecast, inflation appears to be in check in most jurisdictions, and "risk on" sentiment has persisted. Market participants remain concerned about the health of government balance sheets, and with the primacy of the U.S. dollar increasingly coming into question in a multipolar world, the gold price advanced by 16.8%, owing mainly to its "store of value" perception. Equity markets continue to be fuelled by the expectation of higher growth rates driven by the artificial intelligence boom, where market leaders continue to invest significant amounts of capital to accelerate the development of this technology. The S&P 500 rallied by 8.1% this quarter, while markets in Europe and Hong Kong delivered returns of 4.5% and 12.1%, respectively, all in local currency.

Portfolio Construction

At quarter-end, the Peregrine Capital High Growth Fund gross exposure had risen from 135% to 137%, while net exposure to equities and real estate remained broadly similar at 74%. While the aggregate net exposure has not changed materially, the underlying exposure to foreign equities and real estate opportunities has increased from 33% to 39%, a result of both the rally in international shares and the identification of new opportunities. Exposure to bonds fell further from 6% to 3% while cash holdings increased to 22%.

At quarter-end, the Peregrine Capital Pure Hedge Fund's gross exposure remained at 138%, while its net exposure to equities and real estate fell slightly from 26% to 24%. While the aggregate net exposure has not changed materially, the underlying exposure to foreign equities and real estate opportunities has increased from 8% to 13%, which was a function of both the rally in international shares and new opportunities that were identified. Exposure to bonds fell further from 12% to 9% while cash holdings increased to 67%.



Outlook

Capital markets continue to climb a wall of worry, as evidenced by the rally in both equities and traditional “store of value” assets. Market commentators are increasingly highlighting high valuations as a risk, fuelled by extensive capital expenditures from market leaders seeking to capitalize on opportunities in artificial intelligence.

While we acknowledge the risks, it is worth highlighting the following: First, CEOs continue to remind us that they are “capacity constrained” as demand continues to outstrip supply. Second, reported revenue growth rates have accelerated for most of the key beneficiaries of AI. And finally, while international valuations are higher than historic levels for the market as a whole, we continue to see attractive valuations for those companies we are most bullish about.

As a hedge fund, we continue to seek opportunities to utilise the numerous tools at our disposal to mitigate valuation risks while retaining the potential for upside. Our team remains laser-focused on both the opportunities and risks in front of us, and endeavors to continue compounding investor capital at the best possible rate, employing the same tried-and-tested methods we have used for the past 27 years.

View our Flagship Fund's Third Quarter 2025 Performance Below:

Want to learn more about our flagship funds?

PEREGRINE CAPITAL HIGH GROWTH Q1 HEDGE FUND

Click above to view why you should continue to invest in Peregrine Capital's High Growth Fund - the first hedge fund in South Africa to achieve 100X* an investor's initial investment, so R1 million invested in the fund in February 2000 is worth more than R100 million now.

*Please refer to disclaimers at the end of the newsletter.

FIND OUT MORE

PEREGRINE CAPITAL PURE HEDGE Q1 HEDGE FUND

Click above to view the longest-running hedge fund in South Africa, designed to offer investment stability and downside protection while growing investors' purchasing power. The fund aims to deliver inflation-beating returns over the medium term and has achieved 100X growth without a single negative year since its inception in July 1998.**

**Please refer to disclaimers at the end of the newsletter.

FIND OUT MORE

Unlock The World Of *Hedge Funds*



We've put together a comprehensive guide to help you understand the fundamentals of hedge funds. Whether you're new to the concept or looking to deepen your knowledge, this video series covers the essentials—how hedge funds work, why they matter, and how we at Peregrine Capital use these strategies to drive performance.

Click below to watch the series and gain a clearer perspective on this powerful investment vehicle.

WATCH SERIES

Peregrine Capital *Celebrates* the 100x Mark in Partnership With the *Rugby Centurions*.



100X
YOUR MONEY®

PEREGRINE CAPITAL
HIGH GROWTH Q1
HEDGE FUND

Reaching 100 is a defining milestone that resonates universally, whether in sport, life, or investment. It's a mark of dedication, excellence, and lasting impact, making it the perfect representation of success. Whether it's achieving 100 international rugby test caps, living 100 years, or delivering 100-fold returns in investments, these milestones embody an unwavering commitment to performance – the perfect synergy for an exciting new partnership launched this August for Peregrine Capital and Rugby Centurions.



IT TAKES A LOT TO GET FROM
1 to 100

Invest with the company that turned
R1m into R100m since inception.



[READ STORY HERE](#)

Peregrine Capital Launches its First Two TV Adverts

Peregrine Capital proudly partnered with the Rugby Centurions to launch two TV adverts on SuperSport. The first TV ad stars John Smit, bringing his leadership and experience to life, while the second ad features Bryan Habana, who shares his journey of pushing from 1 to 100—demonstrating the grit, determination, and excellence required to reach this incredible milestone (only shared by 8 Springboks).

This collaboration highlights our shared commitment to achieving greatness, both on the field and in the world of investment.

View both ads and be inspired by these remarkable sports icons.

John
Smit



[WATCH VIDEO](#)

Bryan
Habana



[WATCH VIDEO](#)

Peregrine Capital *in The News*



The Power of *Collective Intelligence*

In a recent article in MoneyWeb, Kavita Patel, one of our investment specialists, highlights Peregrine Capital's unique strength: collective intelligence. Unlike firms that rely on individual managers, we operate with a flat structure where rigorous debate and collaboration drive our investment decisions. This approach has delivered consistent, superior returns over 26 years. With over 180 times return on capital for our High Growth Fund and no negative years for the Pure Hedge Fund, our process-driven, team-first culture remains the key to long-term success.

[READ MORE HERE](#)

Protecting *Downside* – Capturing *Upside*

In an insightful reflection with Hedge News Africa, Jacques Conradie, shares the team's quick response to US President Trump's tariff announcements on April 3, 2025, which led to market volatility. By purchasing short-term put options, the team successfully protected our portfolios during a mini market crash, limiting the drawdown to just 1.3%. As markets rebounded, we strategically redeployed capital, capturing the upside. Peregrine's approach highlights our focus on downside protection while positioning for long-term growth, with strong returns for the first half of the year.

For more on our strategy, read the full article below

[READ ARTICLE](#)

***Reframing the Future: Why Hedge Funds* Belong in Every Smart Investor's Portfolio**

Marnus Briedenhann, one of our Investment Specialists, explains in this Money Marketing article, how hedge funds in South Africa are evolving beyond outdated myths and misconceptions, highlighting their increasing importance in modern portfolios. Despite criticism over high fees, hedge funds offer exceptional value through consistent, risk-adjusted returns and capital preservation, especially in volatile markets. Their ability to diversify strategies and manage risk dynamically makes them a vital component of well-rounded investment portfolios.

For more on why hedge funds are crucial for future-fit portfolios, read the full article below.

[READ ARTICLE](#)



The Advisor Behind the Curtain

Peregrine Capital's Grant Dixon challenges the notion that hedge funds are mysterious or solely focused on chasing alpha. Instead, he argues that the real value lies in managing behavioural risk—helping investors avoid emotional decision-making that harms long-term returns. Hedge funds, with their focus on downside protection and consistency, act as tools for advisors to guide clients through uncertain markets with confidence. It's not about complexity—it's about clarity, discipline, and helping investors reach their goals.

[READ MORE HERE](#)

100x the *Power of Partnerships*

In an interview with Michael Avery on Classic Business Radio, CEO Jacques Conradie discussed how our recently launched unique partnership with the Springbok Rugby Centurions, celebrates excellence in both rugby and fund management. The partnership highlights the dedication, resilience, and performance needed to succeed in both fields, drawing parallels between Peregrine's track record of delivering over 100x returns for investors and the achievement of 100 Test caps in rugby. The collaboration not only honours the legendary players but also supports initiatives like the Chris Jackson Burger Petro Players Fund, which assists injured rugby players, reinforcing the importance of legacy, passion, and discipline in both sport and business.

[LISTEN TO INTERVIEW](#)

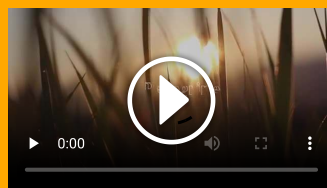
Discover What it's Really Like to Invest With Peregrine Capital

Curious about what it's like to invest with Peregrine Capital? Hear directly from the people who know best—our advisors. Watch as three different advisors share their experiences, providing insight into what it's like to invest in our funds. They also offer valuable perspectives on what their clients say about us. Get a behind-the-scenes look at the trust, strategy, and performance that help to set us apart.



Charl Roos

Private Wealth Management



Hanjo Schlabitze

Wealth Management Solutions

Meet Our *Newest* *Team Member*



Teaghan Price

Investment Specialist

We are delighted to welcome Teaghan Price to the Investment Specialist team! Teaghan came on board in July and is based in Durban. We're excited to see the impact his skills and experience will bring.

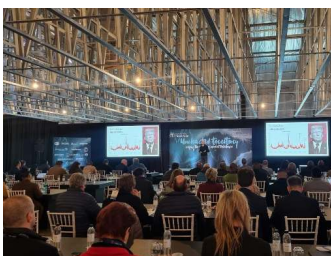
[LEARN MORE](#)

Industry Events We Participated in That You May Have Missed



Investment *Think Tank*

The Investment Think Tank events took place in Mbombela, Potchefstroom, Bloemfontein, Durban, and Port Elizabeth this August. Various team members from Peregrine Capital represented us across the country and spoke at a presentation titled "Using Hedge Funds to Navigate Rough Waters".





Peregrine Insider Johannesburg (August) and Cape Town (September)

Jacques Conradie, David Fraser, and Justin Cousins, our Portfolio Managers conversed with Alan Yates (Head of Distribution) with just under 150 financial advisors in both the mother city and our Sandton office. The Portfolio Managers shared key insights and market sentiment on both local and global companies, as well as our fund strategies.



Upcoming Event Where You Can Meet the Peregrine Capital Team

Peregrine Investor Day – February 2026

We look forward to continuing our partnership on your wealth journey and investing in performance in 2026. Secure your financial future by attending our Annual Investor Day event in **Johannesburg**. Details will be shared with you shortly.

Contact Us

About Investing, Today.

*100X refers to the Peregrine Capital High Growth QI Hedge Fund. R1m invested in the High Growth Fund at inception, is worth more than R100m today. High Growth Fund annualised return: 22.89%. Categorised as a SA Multi Asset - High Equity Category and quoted since inception (February 2000).

**100X also refers to the Peregrine Capital Pure Hedge QI Hedge Fund. R1m invested in the Pure Hedge Fund at inception, is worth more than R100m today. Pure Hedge Fund annualised return: 18.68%. Categorised as a SA Multi Asset - Low Equity Category and quoted since inception (July 1998).

[CLICK HERE FOR DISCLOSURES](#)

**PeregrineTM
Capital**

DISCLAIMERS:

Fund performance: Returns are quoted net of fees | Fund performance provided as at 30 September 2025 | Fee class status: Class: A, distributing. Net asset value figures (NAV to NAV) have been used for the performance calculations, as calculated by the manager at the valuation point defined in the deed, over all reporting periods. The performance is calculated for the portfolio. Individual investor performance may differ, as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Performance is based on a lump sum contribution and is shown net of all fund charges and expenses and includes the reinvestment of distributions. Actual annual figures are available to the investor, on request at info@peregrine.co.za. Investment performance calculations are available for verification upon request by any person. A schedule of fees, charges and maximum commission is also available on request from the manager. The rate of return is calculated on a total return basis, and the following elements may involve a reduction of the investor's capital: interest rates, economic outlook, inflation, deflation, economic and political shocks or changes in economic policy. Annualisation is the conversion of a rate of any length of time into a rate that is reflected on an annual basis. Past performance is not indicative of future performance. The Peregrine Capital High Growth QI Hedge Fund is a medium to high-risk investment. The Peregrine Capital Pure Hedge QI Hedge Fund is a low to medium risk investment. The figures shown reflect the returns of the above named qualified investor hedge funds. The value of participatory interests or the investment may go down as well as up. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending. The manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The manager has a right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate. Nothing herein constitutes financial advice, a recommendation, or an offer to buy or sell any security. Please refer to the latest MDD/factsheet for further information.

*Fund Name	Inception date	Highest annual return	Lowest annual return	Latest 1 year	Latest 5 years	Latest 15 years
High Growth Fund	Feb-00	53.01% (2004)	-11.98% (2008)	15.58%	15.76%	17.17%
FTSE/JSE Capped Swix All Share Index	Feb-00	47.25% (2005)	-23.23% (2008)	28.13%	18.83%	11.26%
ASISA South Africa MA High Equity	Feb-00	27.49% (2004)	-8.24% (2008)	15.02%	12.92%	9.33%
Pure Hedge Fund	Jul-98	67.90% (1999)	1.61% (2008)	12.19%	11.65%	12.41%
ASISA South Africa MA Low Equity	Jul-98	40.59% (1999)	-10.69% (2008)	12.55%	10.46%	8.32%

The 'JSE Capped Swix All Share Index' referenced is the index from December 2016 to date; before that, the JSE All Share TR Index is used.

