

Fund description and summary of investment policy

The Fund may invest in a mix of absolute return funds managed by Allan Gray’s offshore investment partner, Orbis Investment Management Limited, and currently invests in the Orbis Optimal SA Fund (US dollar and euro classes). The Orbis Optimal SA Fund invests in a portfolio of global shares and uses exchange-traded derivative contracts on stock market indices to reduce net equity exposure, which typically varies between 0% and 20%. The Fund’s returns, when measured in US dollars or euros, are driven mainly by Orbis’ stock selection and not by the overall direction of equity markets. Returns are likely to be less volatile than those of a global equity or global balanced fund, but more volatile than those of a global fixed income fund. Although the Fund’s investment universe is global, the units in the Fund are priced and traded daily in rands. Given the Fund’s global investment universe, rand returns are likely to be more volatile than those of local funds with similar equity constraints.

ASISA unit trust category: Global – Multi Asset – Low Equity

Fund objective and benchmark

The Fund aims to provide investors with long-term positive returns (when measured in US dollars or euros) from a low-risk global investment portfolio. The Fund’s returns are intended to be largely independent of the major asset classes such as cash, bonds or equities. The Fund’s benchmark is the simple average of the benchmarks of the underlying Orbis Optimal SA Fund classes, namely US dollar and euro bank deposits.

How we aim to achieve the Fund’s objective

The Fund invests in the Orbis Optimal SA Fund (US dollar and euro classes). The Orbis Optimal SA Fund is actively managed, invests in a global portfolio of shares and uses hedging to reduce overall exposure to global stock markets. Orbis uses in-house research to identify companies around the world whose shares can be purchased for less than Orbis’ assessment of their long-term intrinsic value. This long-term perspective enables them to buy shares which are shunned by the stock market because of their unexciting or poor short-term prospects, but which are relatively attractively priced if one looks to the long term. This is the same approach as that used by Allan Gray to invest in South African equities. The main risk of investing in shares is that prices will decline if stock markets fall significantly. The Orbis Optimal SA Fund therefore maintains a substantial level of hedging to reduce this risk. The net equity exposure of the Fund typically varies between 0% and 20%. The Fund can therefore retain limited exposure to global stock markets, depending on Orbis’ assessment of global stock market valuations. Currency exposure is actively managed, both within the underlying Orbis Optimal SA Fund and through the allocation to the US dollar and euro classes of the Orbis Optimal SA Fund. The Fund’s returns are driven mainly by Orbis’ ability to select shares which outperform. A portion of the returns are also derived from the low exposure to stock markets and foreign currency cash-equivalent returns earned from hedging. The Fund is therefore able to aim for positive returns (when measured in foreign currency), irrespective of the direction of global stock markets.

Suitable for those investors who

- Seek positive long-term returns, when measured in foreign currency
- Wish to invest in international assets through a rand-denominated fund
- Have a long-term investment horizon and are comfortable with periods of underperformance which may result in capital loss
- Wish to use the Fund as a ‘building block’ in a diversified multi-asset class portfolio
- Understand that the Fund’s returns are largely independent of cash, bonds and equities

Fund availability: Subject to offshore capacity constraints. Please visit our website or contact our Client Service Centre for further information about any constraints that may apply.

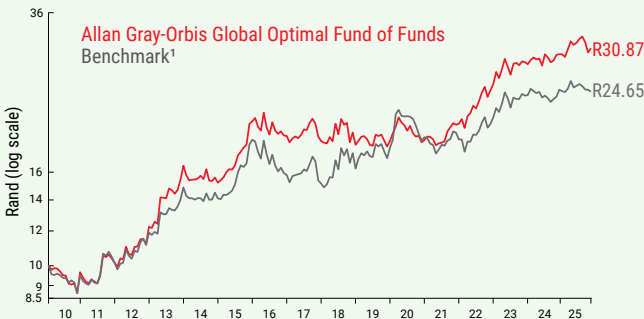
Fund information on 30 November 2025

Fund size	R1.1bn
Number of units	34 726 359
Price (net asset value per unit)	R30.82
Class	A

- The simple average of the benchmarks of the underlying funds, performance as calculated by Allan Gray as at 30 November 2025.
- This data reflects the latest available inflation numbers for South Africa, as at 31 October 2025 (source: Iress). South African CPI inflation has been calculated based on the most recent rebased values from Stats SA. The US inflation figure for October 2025 is an estimate.
- Maximum percentage decline over any period. The maximum rand drawdown occurred from 18 May 2016 to 24 March 2017 and maximum benchmark drawdown occurred from 18 January 2016 to 23 February 2018. Drawdown is calculated on the total return of the Fund/benchmark (i.e. including income).
- The percentage of calendar months in which the Fund produced a positive monthly return since inception.
- The standard deviation of the Fund’s monthly return. This is a measure of how much an investment’s return varies from its average over time.
- These are the highest or lowest consecutive 12-month returns since inception. This is a measure of how much the Fund and the benchmark returns have varied per rolling 12-month period. The Fund’s highest annual return occurred during the 12 months ended 31 December 2013 and the benchmark’s occurred during the 12 months ended 31 January 2016. The Fund’s lowest annual return occurred during the 12 months ended 31 May 2017 and the benchmark’s occurred during the 12 months ended 28 February 2017. All rolling 12-month figures for the Fund and the benchmark are available from our Client Service Centre on request.

Performance net of all fees and expenses

Value of R10 invested at inception with all distributions reinvested



% Returns	Fund		Benchmark ¹		CPI inflation ²	
Cumulative:	ZAR	US\$	ZAR	US\$	ZAR	US\$
Since inception (2 March 2010)	208.7	38.5	146.5	10.6	113.8	49.7
Annualised:						
Since inception (2 March 2010)	7.4	2.1	5.9	0.6	5.0	2.6
Latest 10 years	5.2	3.3	3.8	2.0	4.8	3.2
Latest 5 years	9.5	7.2	4.5	2.2	5.0	4.6
Latest 3 years	8.8	8.4	6.4	6.1	4.1	3.0
Latest 2 years	3.5	8.7	0.6	5.6	3.2	2.8
Latest 1 year	3.5	9.2	2.7	8.3	3.6	3.1
Year-to-date (not annualised)	3.2	13.4	-1.0	8.7	3.6	2.8
Risk measures (since inception)						
Maximum drawdown ³	-18.9	-31.3	-26.6	-16.1	n/a	n/a
Percentage positive months ⁴	52.9	56.6	47.6	50.8	n/a	n/a
Annualised monthly volatility ⁵	12.9	7.4	13.2	4.3	n/a	n/a
Highest annual return ⁶	39.6	15.4	35.6	9.4	n/a	n/a
Lowest annual return ⁶	-12.4	-15.3	-19.1	-11.6	n/a	n/a

Meeting the Fund objective

Since inception and over the latest 10- and five-year periods, the Fund has outperformed its benchmark. There has been some volatility in the Fund's returns. The underlying funds' maximum drawdowns to date, in their reporting currencies, are 23% for the Orbis Optimal SA Dollar class and 28% for the Orbis Optimal SA Euro class.

Income distributions for the last 12 months

To the extent that income earned in the form of dividends and interest exceeds expenses in the Fund, the Fund will distribute any surplus annually.	31 Dec 2024
Cents per unit	0.0000

Annual management fee

Allan Gray does not charge an annual management fee but is paid a marketing and distribution fee by Orbis. Orbis charges a performance-based fee in the underlying Orbis Optimal SA Fund (US dollar and euro classes), which is designed to align Orbis' interests with investor outcomes. The fee consists of a base fee and a performance fee, as summarised by the fee parameters below.

Initial, exit and switching fees	0.0%
Base fee	1.0%
Performance fee sharing rate	20% for outperformance relative to the benchmark.
Performance fee benchmark	US dollar bank deposits and euro bank deposits for the respective classes.

The fee is calculated daily. After deducting the base fee, the Fund's performance is compared to its benchmark. Orbis then shares in 20% of the value added relative to the benchmark. The performance fee is uncapped and subject to a high watermark mechanism, ensuring that performance fees are only earned once any prior underperformance has been fully recovered.

For more information, please refer to the Orbis Optimal SA Fund factsheets and prospectus, which can be found at www.orbis.com.

Total expense ratio (TER) and transaction costs (updated quarterly)

The annual management fees charged by Orbis are included in the TER. The TER is a measure of the actual expenses incurred by the Fund over a one and three-year period (annualised). Since Fund returns are quoted after deduction of these expenses, the TER should not be deducted from the published returns (refer to page 4 for further information). Transaction costs are disclosed separately.

Asset allocation on 30 November 2025

Asset class	Total	United States	UK	Europe ex-UK ⁷	Japan	Other ⁷	Emerging Markets
Net equities	3.0	-4.7	1.9	3.5	1.8	-2.2	2.7
Hedged equities	81.2	45.9	3.8	3.5	15.9	8.6	3.6
Property	6.1	0.0	0.0	0.0	3.1	3.0	0.0
Money market and cash	9.7	6.4	0.4	-1.2	2.6	0.7	0.8
Total (%)	100.0	47.6	6.1	5.7	23.4	10.0	7.1
Currency exposure	100.0	50.9	0.0	37.2	6.2	5.1	0.5

7. Refers to developed markets only.

Note: There may be slight discrepancies in the totals due to rounding.

Total expense ratio (TER) and transaction costs for periods ending 30 September 2025 (updated quarterly)

1- and 3-year TER and transaction costs breakdown	1yr %	3yr %
Total expense ratio	1.58	1.25
Fee for benchmark performance	1.00	1.00
Performance fees	0.50	0.16
Other costs excluding transaction costs	0.08	0.08
VAT	0.00	0.00
Transaction costs (including VAT)	0.14	0.12
Total investment charge	1.72	1.37

Fund allocation on 30 November 2025

Foreign absolute return funds	%
Orbis Optimal SA (US\$)	62.0
Orbis Optimal SA (Euro)	38.0
Total (%)	100.0

Top 10 share holdings on 30 November 2025

Company	% of portfolio
Corpay	4.3
Taiwan Semiconductor Mfg	2.9
FirstService	2.9
Mitsubishi Estate	2.8
Ryder System	2.7
Bruker	2.6
Insmed	2.6
UnitedHealth Group	2.6
Smurfit WestRock	2.5
Genmab	2.5
Total (%)	28.4

Markets can behave uncannily like sports fans: quick to write off an athlete after an injury but slow to recognise a comeback. Even as performance improves, memories of past failures linger, keeping expectations stubbornly low.

The same dynamic plays out in financial markets, which pride themselves on efficiency, yet one of the most persistent inefficiencies we observe is how slowly investors adjust when companies improve. The scars of prior missteps linger in valuations long after the fundamentals have shifted, creating fertile hunting ground for long-term investors. Spotting the athlete already back in training – or a company with operating performance and capital allocation discipline clearly on the mend – we can step in before the crowd to where attractive returns can be found.

The Fund's holdings in Rolls-Royce and Smurfit Westrock are examples of "investing in improving companies that remain underappreciated". Both holdings have taken deliberate steps to become better businesses and have evidence of significant progress. We believe they remain undervalued relative to the improvements made.

Rolls-Royce

Rolls-Royce's history is marked by resilience, crisis and renewal. The company entered receivership in 1971, prompting the UK government to step in and nationalise it as a vital lifeline. It returned to the stock market in 1987.

Over the subsequent decades, Rolls-Royce invested heavily in wide-body engine technology – such as the Trent series found on many long-haul flights. Eventually, it captured more than 50% of new wide-body engine deliveries and became one of just two players with world-class products. Just as important was a shift in economics achieved by increasing emphasis on its "power-by-the-hour" service agreements, where engines are sold at modest initial margins, and higher profits are earned from engine flight hours in return for long-term servicing.

Yet the path was uneven. Missteps stemming from last-minute customer requirement changes created years of reliability headaches that spooked investors. Then came COVID-19. With global flying hours collapsing, the company nearly broke, prompting a GBP2 billion rights issue and 9 000 job cuts.

Despite these setbacks, the underlying potential remained undeniable: Rolls-Royce operates in a high-barrier global duopoly with an attractive long-term growth profile. What was missing was execution. That changed with the arrival of CEO Tufan Erginbilgic in 2023. With extensive prior experience driving performance improvement, he immediately launched a rigorous transformation agenda. Since then, Rolls-Royce has become far more commercial, finally ensuring it is paid adequately for the value it delivers. The portfolio has been sharpened, the cost base streamlined and attractive long-term growth avenues have been prioritised.

Clear evidence of progress is reflected in the surging share price over the last two years, yet the stock continues to trade materially below our assessment of intrinsic value and at a discount to several comparable peers. The market has yet to fully recognise the depth and durability of the transformation.

Smurfit Westrock

The merger of Smurfit Kappa (Europe's best packaging operator) and Westrock (a US laggard) closed in July 2024, creating Smurfit Westrock, one of the world's largest packaging companies. The market reaction has been cautious, reflecting scepticism about Westrock's troubled past. But in our view, the combination of these two companies is compelling.

Westrock had solid assets but weak execution discipline. Smurfit's experienced management team brings a proven playbook: plant-level profit and loss accountability, disciplined pricing (focusing on value over volume), and a track record of lifting EBITDA (earnings before interest, taxes, depreciation and amortisation) margins from 13% to 18% in Europe. That model is now being applied across Westrock's US footprint. Already, a substantial proportion of loss-making contracts have been exited, with most of the cleanup expected by mid-2026, driving an anticipated US\$400 million uplift in earnings. Plant-level transparency is embedding cultural change, while targeted investments in automation and efficiency are generating attractive returns north of 20%. Early results are visible: North American EBITDA margins have improved from 13% to 14% pre-merger to around 17%.

And yet, Smurfit Westrock still trades at just 6 times forward EBITDA, a clear discount to peers like Packaging Corp of America and International Paper at 8 to 10 times. Part of the gap might be explained by the primary listing shifting from the UK to the US in July 2024. It could take time for US investors to get familiar with the Smurfit execution machine, and there is also some cyclical weakness lingering in the European packaging industry. Either way, the turnaround is underway, the economics are improving, and the market has yet to catch up.

In both cases, we see businesses that are becoming structurally stronger yet remain discounted for past flaws. That disconnect is exactly where long-term investors find their edge. These positions exemplify our role: to seek out idiosyncratic opportunities that can compound returns while diversifying broader market risks. By focusing on improving businesses that remain underappreciated and carefully hedging out market exposures, we believe we can continue to generate attractive absolute returns, despite an uncertain macro, political and market environment.

The Fund's overall net equity exposure fell over the quarter. We initiated a position in a US-based managed care organisation and exited the position in Microchip Technology, a US semiconductor manufacturer, following a period of share price strength.

Adapted from a commentary contributed by Maurits Ovaa, Orbis Portfolio Management (Europe) LLP, London

Fund manager quarterly commentary as at 30 September 2025

The availability of the Fund is subject to offshore capacity constraints. Please contact our Client Service Centre for further information about any constraints that may apply.

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Management Company

Allan Gray Unit Trust Management (RF) (Pty) Ltd (the "Management Company") is registered as a management company under the Collective Investment Schemes Control Act 45 of 2002, in terms of which it operates unit trust portfolios under the Allan Gray Unit Trust Scheme, and is supervised by the Financial Sector Conduct Authority (FSCA). The Management Company is incorporated under the laws of South Africa and has been approved by the regulatory authority of Botswana to market its unit trusts in Botswana, however, it is not supervised or licensed in Botswana. Allan Gray (Pty) Ltd (the "Investment Manager"), an authorised financial services provider, is the appointed investment manager of the Management Company and is a member of the Association for Savings & Investment South Africa (ASISA). The trustee/custodian of the Allan Gray Unit Trust Scheme is Rand Merchant Bank, a division of FirstRand Bank Limited. The trustee/custodian can be contacted at RMB Custody and Trustee Services: Tel: +27 (0)11 301 6335 or www.rmb.co.za.

Performance

Collective investment schemes in securities (unit trusts or funds) are generally medium- to long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to future performance. Movements in exchange rates may also cause the value of underlying international investments to go up or down. The Management Company does not provide any guarantee regarding the capital or the performance of the Fund. Performance figures are provided by the Investment Manager and are for lump sum investments with income distributions reinvested. Actual investor performance may differ as a result of the investment date, the date of reinvestment and dividend withholding tax.

Fund mandate

Funds may be closed to new investments at any time in order to be managed according to their mandates. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. The funds may borrow up to 10% of their market value to bridge insufficient liquidity.

Unit price

Unit trust prices are calculated on a net asset value basis, which is the total market value of all assets in the Fund, including any income accruals and less any permissible deductions from the Fund, divided by the number of units in issue. Forward pricing is used and fund valuations take place at approximately 16:00 each business day. Purchase and redemption requests must be received by the Management Company by 14:00 each business day to receive that day's price. Unit trust prices are available daily on www.allangray.co.za.

Fees

Permissible deductions may include management fees, brokerage, securities transfer tax, auditor's fees, bank charges and trustee fees. A schedule of fees, charges and maximum commissions is available on request from Allan Gray. For more information about our annual management fees, refer to the [frequently asked questions](#), available via the Allan Gray website.

Total expense ratio (TER) and transaction costs

The total expense ratio (TER) is the annualised percentage of the Fund's average assets under management that has been used to pay the Fund's actual expenses over the past one- and three-year periods. The TER includes the annual management fees that have been charged (both the fee at benchmark and any performance component charged), VAT and other expenses like audit and trustee fees. Transaction costs (including brokerage, securities transfer tax, Share Transactions Totally Electronic (STRATE) and FSCA Investor Protection Levy and VAT thereon) are shown separately. Transaction costs are necessary costs in administering the Fund and impact Fund returns. They should not be considered in isolation as returns may be impacted by many other factors over time, including market returns, the type of financial product, the investment decisions of the investment manager, and the TER. Since Fund returns are quoted after the deduction of these expenses, the TER and transaction costs should not be deducted again from published returns. As unit trust expenses vary, the current TER cannot be used as an indication of future TERs. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. Instead, when investing, the investment objective of the Fund should be aligned with the investor's objective and compared against the performance of the Fund. The TER and other funds' TERs should then be used to evaluate whether the Fund performance offers value for money. The sum of the TER and transaction costs is shown as the total investment charge (TIC).

Fund of funds

A fund of funds is a unit trust that invests in other unit trusts, which charge their own fees. Allan Gray does not charge any additional fees in its funds of funds.

Foreign securities

The Fund invests in foreign securities. Depending on their markets, trading in those securities may carry risks relating to, among others, macroeconomic and political circumstances, constraints on liquidity or the repatriation of funds, foreign exchange rate fluctuations, taxation and trade settlement.

FTSE Russell Index

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MSCI Index

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