

The Fund is closing and as a result, we have begun liquidating the securities and investments held by the Fund in an orderly manner. The investment objective and approach will therefore no longer be pursued.

Fund description and summary of historic investment policy

The Fund invested in a focused portfolio of companies with significant business interests in Africa, regardless of the location of the stock exchange listing. The Fund price is reported in US dollars but the underlying holdings are denominated in various currencies. Returns are likely to be volatile.

Classification: Africa – Equity

Fund objective and benchmark

The Fund aimed to outperform African equity markets over the long term without taking on greater risk of loss. The Fund’s benchmark is the MSCI Emerging and Frontier Markets (EFM) Africa Index (total returns).

African equity markets

There are numerous risks involved in investing in African equity markets. These risks may be significantly higher than in more developed markets and may include (but are not limited to) the following:

- Individual countries may impose capital controls preventing the repatriation of foreign currency
- Returns are expected to be more volatile, and the average drawdown may be higher, than in more developed markets
- Market prices may not accurately reflect the fair value of a Fund asset and fair value pricing may be used

See the “Important information for investors” section for more information.

How we aimed to achieve the Fund’s objective

We invested in shares that we believed offered superior fundamental value while taking into account risk and return. We researched companies and assessed their intrinsic value based on long-term fundamentals; we then invested in businesses where our assessment of intrinsic value exceeded the share price by a margin of safety. This approach allowed us to identify shares that may have been out of favour with the market because of poor near-term prospects, but offered good value over the long term. The Fund’s holdings will deviate meaningfully from those in the index both in terms of individual holdings and sector exposure.

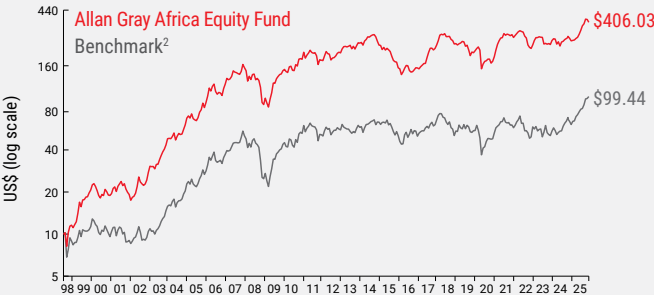
Fund information on 30 November 2025

Fund currency	US\$ ¹
Fund size	US\$161m
Number of shares	575 035
Price (net asset value per share)	US\$274.35
Number of share holdings	13
Class	A

- The Fund is currently priced in US dollars. From inception to 30 April 2012 the Fund was priced in South African rands.
- The current benchmark is the MSCI EFM Africa Index (total returns). From inception to 30 April 2012 the benchmark was the FTSE/JSE All Share Index including income. Performance as calculated by Allan Gray as at 30 November 2025 (source: Bloomberg). Calculation based on the latest available data as supplied by third parties.
- Maximum percentage decline over any period. The maximum drawdown occurred from October 2007 to February 2009 and maximum benchmark drawdown occurred from October 2007 to February 2009. 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.
- This is the highest or lowest rolling 12-month return the Fund has experienced since inception. The Fund’s highest annual return occurred during the 12 months ended 31 August 1999 and the benchmark’s occurred during the 12 months ended 28 February 2010. The Fund’s lowest annual return occurred during the 12 months ended 31 October 2008 and the benchmark’s occurred during the 12 months ended 31 October 2008. All rolling 12-month figures for the Fund and the benchmark are available from the Allan Gray Service Team on request.

Performance in US\$ net of all fees and expenses

Value of US\$10 invested at inception with all distributions reinvested



% Returns	Fund	Benchmark ²
Cumulative:		
Since inception (1 July 1998)	3960.3	894.3
Annualised:		
Since inception (1 July 1998)	14.5	8.7
Latest 10 years	8.3	6.8
Latest 5 years	12.8	13.0
Latest 3 years	14.1	18.5
Latest 2 years	17.3	33.6
Latest 1 year	32.2	51.7
Year-to-date (not annualised)	38.4	59.8
Risk measures (since inception, based on month-end prices)		
Maximum drawdown ³	-52.5	-60.5
Percentage positive months ⁴	59.6	58.4
Annualised monthly volatility ⁵	23.6	25.4
Highest annual return ⁶	136.4	94.1
Lowest annual return ⁶	-48.6	-54.1

Meeting the Fund objective

The Fund aimed to outperform African equity markets over the long term without taking on greater risk of loss. The Fund experienced periods of underperformance in pursuit of this objective. Since inception, the Fund has outperformed its benchmark by a significant margin. The maximum drawdown and lowest annual return numbers in the “Performance in US\$ net of all fees and expenses” table show that the Fund has not experienced more downside than its benchmark in periods of negative market returns.

Annual management fee

In light of the decision to wind down the Fund’s operations and investments, no further investment management fee will be levied on any share classes of the Fund from 1 November 2025.

Management fee prior to 1 November 2025

The management fee consists of a base fee of 1% and a performance component. The fee rate is calculated weekly by comparing the Fund’s total performance for the week, after the base fee is deducted, to that of the benchmark.

Fee for performance equal to the Fund’s benchmark: 1.00% p.a.

For each percentage point above or below the benchmark we add or deduct 0.2%. This means that Allan Gray shares in approximately 20% of the performance relative to the benchmark.

The fee is capped at 5% over any 12-month rolling period and can decrease to a minimum of 0%. If the fee would have been negative, the negative fee will be carried forward to reduce the next week’s fee (and all subsequent weeks until the underperformance is recovered).

Total expense ratio (TER) and transaction costs

The annual management fee charged is 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.

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	0.25	1.45
Fee for benchmark performance	1.00	1.00
Performance fees	-1.00	0.05
Custody fees	0.13	0.11
Other costs excluding transaction costs	0.12	0.29
Transaction costs	0.18	0.12
Total investment charge	0.43	1.57

Country of listing on 30 November 2025⁷

Country	% of equities	Benchmark ²
Nigeria	31.7	0.0
Egypt	26.7	1.9
United Kingdom	23.3	10.6
Zimbabwe	7.9	0.0
Kenya	4.9	1.5
Uganda	2.4	0.0
BRVM	2.2	0.8
Norway	0.9	0.0
South Africa	0.0	76.0
Morocco	0.0	5.6
Netherlands	0.0	1.3
Luxembourg	0.0	1.2
Mauritius	0.0	0.6
Tunisia	0.0	0.5
Total (%) ⁸	100.0	100.0

7. The listing may not represent the geographical location of the company’s operations. The fund invests based on the primary place of operation, not listing.
8. There may be slight discrepancies in the totals due to rounding.
9. Includes the impact of any currency hedging.

Sector allocation on 30 November 2025

Sector	% of equities	Benchmark ²
Financials	35.8	33.1
Consumer staples	35.4	5.8
Energy	24.2	0.2
Utilities	2.4	0.1
Telecommunications	2.2	6.8
Basic materials	0.0	35.4
Industrials	0.0	2.9
Healthcare	0.0	0.3
Consumer discretionary	0.0	1.3
Technology	0.0	12.2
Real estate	0.0	1.9
Total (%) ⁸	100.0	100.0

Asset allocation on 30 November 2025

Asset class	Total
Net equities	82.9
Hedged equities	0.0
Property	0.0
Commodity-linked	0.0
Bonds	0.0
Money market and cash ⁹	17.1
Total (%) ⁸	100.0

The Fund is up 46.2% year to date, outpacing the S&P 500, MSCI World and MSCI Emerging Markets indices, which are up 14.8%, 17.8%, and 28.2% respectively, but underperforming the benchmark which is up 53.7%. In addition, the Fund has gained 45% since the trough following Trump's "Liberation Day" announcements at the beginning of April.

Two key factors have driven this performance: On the global front, supportive conditions, including a weaker US dollar, expectations of lower interest rates in the United States and a general risk-on sentiment towards emerging markets, have contributed to the broad outperformance of emerging market assets. More specifically within African markets, improved macroeconomic policies in several key countries have led to lower inflation and more market-aligned exchange rates. It is also worth noting that these markets are rebounding from historically depressed valuations and remain significantly undervalued relative to global peers.

Although both the Fund and the benchmark have delivered very strong performance, the contributors have been very different. Our overweight positions in Nigeria and French West Africa have added to relative performance, while our underweight position in Morocco has detracted.

The Nigerian banks we own, namely Guaranty Trust Holding Company, Zenith and Stanbic IBTC, have delivered a fund-weighted average return of 86% in US dollar terms year to date. All three completed successful capital raises under a mandatory programme despite already being well capitalised. This requirement had previously been an overhang, which we have now moved past. More importantly, the outperformance has been driven by investor recognition of the significant revaluation of the banks' naira-denominated earnings following the currency devaluation, effectively preserving the real value of earnings. These banks were also trading at extremely depressed valuations, and the recent positive sentiment towards Nigeria, underpinned by promising reforms such as foreign exchange liberalisation, a return to orthodox monetary policy, and tax reforms, has further supported a rerating.

Our position in Sonatel, a telecommunications company listed on the regional BRVM stock exchange, has also been a significant contributor to performance. The company has delivered consistent results, benefiting from operating in economies that are structurally better managed than many other African countries and supported by a functioning currency peg regime. There is growing evidence that exchange rate stability is key to driving strong long-term US dollar returns. Importantly, investors on the BRVM are able to access high-quality businesses at undemanding valuations – an opportunity that is notably absent in Morocco, where valuations have remained structurally elevated.

Furthermore, our large positions in Egypt's Eastern Tobacco and Nigerian energy supplier Seplat have delivered solid returns. Eastern Tobacco is benefiting from a recovery in volumes following the foreign exchange shortages that constrained raw material sourcing during 2023 and 2024, as well as from a more proactive approach to pricing. Meanwhile, Seplat continues to benefit from positive investor sentiment following the successful acquisition of ExxonMobil's assets, coupled with optimism around the management team's ability to revitalise the acquired assets and significantly increase oil and gas production from current levels.

On the flipside, our position in Delta Corporation, Zimbabwe's largest brewer, detracted from absolute performance, with its share price down 3% in US dollar terms year to date. This has occurred despite improving macroeconomic conditions and enhanced foreign currency availability, as evidenced by the relative stability of the Zimbabwe Gold (ZiG) currency.

Historically, sharp rallies on the Zimbabwe Stock Exchange (ZSE) have often signalled waning confidence in the local currency; however, the current environment may be indicating the opposite. We believe that continued macroeconomic progress, foreign exchange stability and sustained foreign currency access will ultimately support a rerating of Zimbabwean equities from very depressed levels. For example, Delta Corporation trades at just 6 times earnings, despite delivering a return on equity (ROE) of 45%, consistent volume growth and strong free cash flow generation. It is worth noting that Zimbabwe remains the only market in our universe where sourcing foreign currency is still a challenge for investors. Encouragingly, we have recently been able to access foreign currency, albeit in modest amounts. The Fund's exposure to the ZSE currently stands at around 6%, the majority of which is held in Delta Corporation, a company that has historically preserved, and we believe will continue to preserve, real value over time.

Despite the significant appreciation in the Fund's performance, we remain constructive on the return potential going forward. The top 10 holdings are trading at a weighted average forward price-to-earnings (PE) ratio of 14 and a dividend yield of 4.4%, while generating a weighted average ROE of 30%. This compares to forward PE multiples of 23, 20 and 14 for the S&P 500, MSCI World and MSCI Emerging Markets indices respectively. The upside remains substantial. Realising this potential will largely depend on continued improvements in macroeconomic management across key markets, sustained foreign exchange stability and a supportive global backdrop.

Commentary contributed by Rami Hajjar

Outcome of Special General Meeting

A Special General Meeting was held virtually on 29 October 2025. At this meeting, the Fund's shareholders approved amendments to the Fund's bye-laws and the delisting of the Fund from the Bermuda Stock Exchange.

Amendments to the Fund's bye-laws

The amendments to the bye-laws of the Fund provide that the directors may:

- Compulsorily redeem the shares of the Fund
- Suspend investor redemptions from the Fund
- Continue to calculate the net asset value per share of any class of shares in the Fund while investor redemptions are suspended.

Wind-down process

Given the nature of the Fund's underlying assets and the liquidity constraints in certain African markets, the directors have suspended investor redemptions as of 29 October 2025 to facilitate the orderly closure of the Fund. This means clients will no longer be able to request switches or redemptions of their shares in the Fund.

The liquidation of the Fund's assets will proceed in stages, with asset sales staggered to help achieve the best possible value for clients. As assets are sold, the directors will compulsorily redeem portions of client's shares on a periodic basis. Each compulsory redemption will represent the client's proportionate share of the Fund's liquid assets.

This process will continue until all assets have been sold and the Fund is fully wound down. Given the liquidity constraints in particular markets, it is anticipated that the winding down of the Fund will take several years to complete. The Fund will not impose a redemption charge on compulsory redemptions.

Fund manager quarterly commentary as at 30 September 2025

Closure of the Fund and Special General Meeting

We regret to inform you that the Fund is closing.

Since its launch in July 1998, the Fund has aimed to deliver long-term returns by investing in a focused portfolio of businesses with meaningful exposure to the African continent. Our long-term investment approach – grounded in deep fundamental research, patience and a willingness to invest in often-overlooked areas – has proven well aligned with both the opportunities and challenges present in African markets. As illustrated in the performance chart on page 1, this has translated into meaningful long-term value for our investors.

Why are we closing the Fund?

Due to the size of the Fund and the ongoing costs of maintaining it, we have decided to consolidate our fund offering across the African landscape. While we believe the decision to close the Fund is in the best interest of all clients, we do recognise the impact this will have on those investors who have supported it over the years. It is important to note that this decision is operational in nature and does not reflect a change in our investment outlook for African and other frontier markets.

Other investment options available

We offer two similar products in the [Allan Gray Africa ex-SA Equity Fund](#) and the [Allan Gray Frontier Markets Equity Fund](#), and we continue to believe that African and other frontier markets offer compelling opportunities for patient investors. We will continue to manage significant assets in these funds. Clients interested in these funds may contact the Allan Gray Service team on +27 (0)21 415 9380 or email allangraybermuda@allangray.com.

© 2025 Allan Gray Proprietary Limited. All rights reserved. The content and information may not be reproduced or distributed without the prior written consent of Allan Gray Proprietary Limited ("Allan Gray").

Information and content

The information in and content of this publication are provided by Allan Gray as general information about the Fund. Allan Gray does not guarantee the suitability or potential value of any information or particular investment source. The information provided is not intended to, nor does it constitute financial, tax, legal, investment or other advice. Before making any decision or taking any action regarding your finances, you should consult a qualified financial adviser. Nothing contained in this publication constitutes a solicitation, recommendation, endorsement or offer by Allan Gray, it is merely an invitation to do business. Allan Gray has taken and will continue to take care that all information provided, in so far as this is under its control, is true and correct. However, Allan Gray shall not be responsible for and therefore disclaims any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of, or which may be attributable, directly or indirectly, to the use of or reliance on any information provided. The Fund is incorporated and registered under the laws of Bermuda and is supervised by the Bermuda Monetary Authority. The primary custodian of the Fund is Citibank N.A., New York Offices. The custodian can be contacted at 390 Greenwich Street, New York, New York, 10012, USA. Allan Gray Bermuda Limited (the "Investment Manager") is registered with the Bermuda Monetary Authority as a Class B Registered Person and authorised to conduct investment business under the Investment Business Act. Allan Gray Bermuda Limited has appointed Allan Gray Unit Trust Management (RF) Proprietary Limited (the "Representative") as its representative for the purpose of approval in terms of the Collective Investment Schemes Control Act 45 of 2002. The Representative is incorporated under the laws of South Africa and is supervised by the Financial Sector Conduct Authority (FSCA). The Fund is closed to new investments. Shares in the Fund are traded at ruling prices and the Fund can engage in borrowing and scrip lending. The Fund may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Investments in the Fund are made according to the terms and conditions and subject to the restrictions set out in the prospectus. The offering of shares in the Fund may be restricted in certain jurisdictions. Please contact the Allan Gray service team to confirm if there are any restrictions that apply to you.

Performance

Collective investment schemes (unit trusts or mutual funds) are generally medium- to long-term investments. Where annualised performance is mentioned, this refers to the average return per year over the period. The value of shares or the investment may go down as well as up and past performance is not necessarily a guide to future performance. Movements in exchange rates may cause the value of underlying international investments to go up or down. Neither the Investment Manager, the Fund nor the Representative provides 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. The performance graph is for illustrative purposes only. Actual investor performance may differ as a result of the investment date, the date of reinvestment and applicable taxes.

MSCI Index

Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indexes or any securities or financial products. This report is not approved, endorsed, reviewed or produced by MSCI. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.

Share price

Share 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 shares in issue. Forward pricing is used. The weekly price of the Fund is normally calculated each Friday. Share prices are available on www.allangray.co.za.

Fees and charges

Permissible deductions from the Fund may include management fees, brokerage, securities transfer tax, auditor's fees, bank charges and custody fees. A schedule of fees, charges and maximum commissions is available on request from the Representative.

Total expense ratio (TER) and transaction costs

The 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) and other expenses like audit fees. Transaction costs (including brokerage, securities transfer tax and investor protection levies where applicable) 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 fund, 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 collective investment scheme 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 closure and wind-down

The Fund is closing and its operations and investments will be wound down, in an orderly fashion, as determined by the directors. The directors may suspend voluntary redemptions and Members may not be able to redeem their Fund Shares at the expected time or value. The directors may choose to compulsorily redeem all or any Member's Fund Shares, at any time and with no notice, and the timing and amount of any compulsory redemptions may be uncertain. During the wind-down period, the securities held by the Fund will be liquidated in an orderly manner. Certain assets may be illiquid or difficult to sell, which could adversely affect the timing and value of Fund Shares. The valuation of Fund assets during wind-down may be subject to increased uncertainty, particularly for illiquid or hard-to-value securities. The Net Asset Value of the Fund may fluctuate significantly during this period, and investors may receive less than the anticipated Net Asset Value of the Fund Shares than originally anticipated as a result of market events and uncertainties. The process of winding down the Fund may incur additional administrative, legal, and operational costs. These costs will be borne by the Fund and may reduce the final redemption proceeds available for payment to investors. The wind-down of the Fund may have regulatory and tax implications for investors, depending on their jurisdiction of residence or domicile. Investors are advised to consult their own legal and tax advisors regarding the consequences of the Fund's closure.

African markets

There are significant risks involved in investing in shares listed in the Fund's universe of emerging and developing countries, including liquidity risks, sometimes aggravated by rapid and large outflows of "hot money" and capital flight, concentration risk, currency risks, political and social instability, the possibility of expropriation, confiscatory taxation or nationalisation of assets and the establishment of foreign exchange controls which may include the suspension of the ability to transfer currency from a given country. African countries have varying laws and regulations and, in some, foreign investment is controlled or restricted in varying degrees.

Fair value pricing

The board of directors of the Fund (the "Board") may fair value the Fund's assets in accordance with the Board's fair value pricing policies if: 1) the closing market quotations or official closing prices are not readily available or do not accurately reflect the fair value of a Fund asset; or 2) the value of a Fund asset has been materially affected by events occurring before the Fund's pricing time but after the close of the exchange or market on which the asset is principally traded. The Board delegates the responsibility for fair value pricing decisions to a valuation committee of the Investment Manager.

Contractual risk

The Fund can use derivatives to manage its exposure to stock markets, currencies and/ or interest rates and this exposes the Fund to contractual risk. Contractual risk includes the risk that a counterparty will not settle a transaction according to its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, causing the Fund to suffer a loss. Such contract counterparty risk is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Fund has concentrated its transactions with a single or small group of counterparties.

Derivatives

Borrowing, leveraging and trading securities on margin will result in interest charges and, depending on the amount of trading activity, such charges could be substantial. The low margin deposits normally required in futures and forward trading, which the Fund may utilise, permit a high degree of leverage. As a result, a relatively small price movement in a futures or forward contract may result in immediate and substantial losses to the investor. Price movements of forward contracts and other derivative contracts in which the assets of the Fund may be invested are highly volatile and are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, and national and international political and economic events and policies. Forward contracts are not traded on exchanges and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Trading in forward contracts is substantially unregulated and there is no limitation on daily price movements.

Bloomberg Index Services Limited

Bloomberg Index Services Limited Bloomberg® and the indices referenced herein (the "Indices", and each such index, an "Index") are service marks of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg") and/or one or more third-party providers (each such provider, a "Third-Party Provider") and have been licensed for use for certain purposes to Allan Gray Proprietary Limited (the "Licensee"). To the extent a Third-Party Provider contributes intellectual property in connection with the Index, such third-party products, company names and logos are trademarks or service marks, and remain the property, of such Third-Party Provider. Bloomberg or Bloomberg's licensors own all proprietary rights in the Bloomberg Indices. Neither Bloomberg nor Bloomberg's licensors, including a Third-Party Provider, approves or endorses this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither Bloomberg nor Bloomberg's licensors, including a Third-Party Provider, shall have any liability or responsibility for injury or damages arising in connection therewith.

FTSE/JSE Capped Shareholder Weighted All Share Index

The FTSE/JSE Capped Shareholder Weighted All Share Index is calculated by FTSE International Limited ("FTSE") in conjunction with the JSE Limited ("JSE") in accordance with standard criteria. The FTSE/JSE Capped Shareholder Weighted All Share Index is the proprietary information of FTSE and the JSE. All copyright subsisting in the values and constituent lists of the FTSE/JSE Capped Shareholder Weighted All Share Index vests in FTSE and the JSE jointly. All their rights are reserved.

Important information for investors

Need more information?

You can obtain additional information about the Fund, including copies of the prospectus, application forms and the annual report, free of charge, by contacting the Allan Gray service team, at **0860 000 654** or **+27 (0)21 415 2301** or by email at allangraybermuda@allangray.com.