

Fund description and summary of investment policy

The Fund is managed in broadly the same way as the Allan Gray Balanced Fund. It was created specifically for use in tax-free accounts and can only be accessed through these products. The Fund invests in a mix of shares, bonds, property, commodities and cash. The Fund can invest a maximum of 45% offshore. The Fund typically invests the bulk of its foreign allowance in a mix of funds managed by Orbis Investment Management Limited, our offshore investment partner. The maximum net equity exposure of the Fund is 75% and we may use exchange-traded derivative contracts on stock market indices to reduce net equity exposure from time to time. The Fund is managed to comply with the investment limits governing retirement funds. Returns are likely to be less volatile than those of an equity-only fund.

ASISA unit trust category: South African – Multi Asset – High Equity

Fund objective and benchmark

The Fund aims to create long-term wealth for investors within the constraints governing retirement funds. It aims to outperform the average return of similar funds without assuming any more risk. The Fund's benchmark is the market value-weighted average return of funds in the South African – Multi Asset – High Equity category (excluding Allan Gray funds).

How we aim to achieve the Fund's objective

We seek to buy shares at a discount to their intrinsic value. We thoroughly research companies to assess their intrinsic value from a long-term perspective. This long-term perspective enables us 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. If the stock market offers few attractive shares we may increase the Fund's weighting to alternative assets such as bonds, property, commodities and cash, or we may partially hedge the Fund's stock market exposure. By varying the Fund's exposure to these different asset classes over time, we seek to enhance the Fund's long-term returns and to manage its risk. The Fund's bond and money market investments are actively managed.

Suitable for those investors who

- Seek steady long-term capital growth
- Are comfortable with taking on some risk of market fluctuation and potential capital loss, but typically less than that of an equity fund
- Wish to invest in a tax-free investment account
- Typically have an investment horizon of at least three years

Maximum investment amounts

Maximum lump sum per investor account	R36 000
Lifetime maximum	R500 000
Maximum debit order*	R3 000

*Only available to investors with a South African bank account.

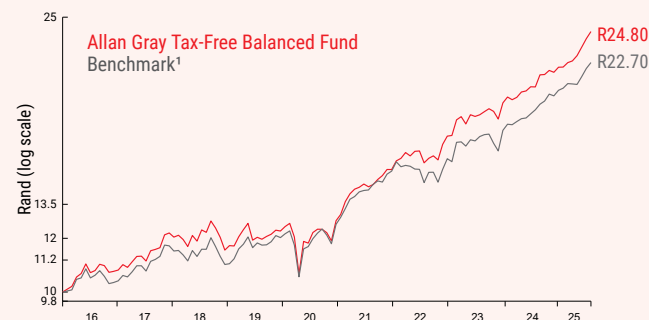
Fund information on 30 September 2025

Fund size	R4.5bn
Number of units	197 756 619
Price (net asset value per unit)	R19.81
Class	A

1. The market value-weighted average return of funds in the South African – Multi Asset – High Equity category (excluding Allan Gray funds). Source: Morningstar, performance as calculated by Allan Gray as at 30 September 2025.
2. CPI inflation has been calculated based on the most recent rebased values from Stats SA, reflecting the data as at 31 August 2025 (source: IRESS).
3. Maximum percentage decline over any period. The maximum drawdown occurred from 20 January 2020 to 23 March 2020 and maximum benchmark drawdown occurred from 20 January 2020 to 23 March 2020. Drawdown is calculated on the total return of the Fund/benchmark (i.e. including income).
4. The percentage of calendar months in which the Fund produced a positive monthly return since inception.
5. 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.
6. 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 March 2021 and the benchmark's occurred during the 12 months ended 31 March 2021. The Fund's lowest annual return occurred during the 12 months ended 31 March 2020 and the benchmark's occurred during the 12 months ended 31 March 2020. 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:			
Since inception (1 February 2016)	148.0	127.0	57.6
Annualised:			
Since inception (1 February 2016)	9.9	8.9	4.9
Latest 5 years	15.4	13.4	5.0
Latest 3 years	17.3	16.3	4.2
Latest 2 years	17.3	17.5	3.8
Latest 1 year	20.5	17.3	3.3
Year-to-date (not annualised)	19.2	15.0	3.3
Risk measures (since inception)			
Maximum drawdown ³	-24.6	-23.3	n/a
Percentage positive months ⁴	69.8	67.2	n/a
Annualised monthly volatility ⁵	8.9	8.8	n/a
Highest annual return ⁶	31.7	30.7	n/a
Lowest annual return ⁶	-13.4	-10.3	n/a

Fund history

This Fund is managed in broadly the same way as the Allan Gray Balanced Fund. It was created specifically for use in tax-free accounts. Refer to the Allan Gray Balanced Fund factsheet for a history of the Allan Gray Balanced Fund since its inception on 1 October 1999.

Meeting the Fund objective

The Fund aims to create long-term wealth for investors within the constraints governing retirement funds. It aims to outperform the average return of similar funds without assuming any more risk. The Fund experiences periods of underperformance in pursuit of this objective. Since inception and over the latest five-year period, the Fund has outperformed its benchmark.

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 biannually.	31 Dec 2024	30 Jun 2025
Cents per unit	17.6520	21.6692

Annual management fee

A fixed fee of 1.25% p.a. excl. VAT.

Allan Gray charges this fee based on the net asset value of the Fund excluding the portion invested in Orbis funds. Orbis charges fixed fees within the Orbis funds that the Fund invests in. Orbis pays a marketing and distribution fee to Allan Gray.

Total expense ratio (TER) and transaction costs

The annual management fees charged by both Allan Gray and 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.

Top 10 share holdings on 30 September 2025 (SA and Foreign) (updated quarterly)⁷

Company	% of portfolio
Naspers & Prosus	4.2
AB InBev	3.8
AngloGold Ashanti	2.9
British American Tobacco	2.6
Glencore	2.4
Standard Bank	2.0
The Walt Disney Company	1.9
Nedbank	1.7
Woolworths	1.6
Remgro	1.4
Total (%)	24.5

7. Underlying holdings of foreign funds are included on a look-through basis.

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

TER and transaction costs breakdown for the 1- and 3-year period ending 30 September 2025	1yr %	3yr %
Total expense ratio	1.49	1.48
Fee for benchmark performance	1.32	1.31
Other costs excluding transaction costs	0.04	0.03
VAT	0.14	0.14
Transaction costs (including VAT)	0.08	0.07
Total investment charge	1.58	1.55

Asset allocation on 30 September 2025⁷

Asset class	Total	South Africa	Foreign
Net equities	64.0	37.0	27.0
Hedged equities	9.2	3.3	5.9
Property	1.1	0.1	1.0
Commodity-linked	3.3	2.8	0.6
Bonds	16.3	12.3	4.0
Money market and cash ⁸	6.0	5.5	0.5
Total (%)	100.0	60.9	39.1⁹

8. Includes the impact of any currency hedging.

9. The Fund can invest a maximum of 45% offshore. Market movements may periodically cause the Fund to move beyond these limits. This must be corrected within 12 months.

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

Since inception, the Fund's month-end net equity exposure has varied as follows:

Minimum	57.5% (February 2016)
Average	64.3%
Maximum	72.5% (May 2021)

The Fund has delivered 19% year to date, outperforming its benchmark by 4%. Over the last three years, the Fund has achieved an annualised return of 17%, compared to inflation of 4%. While the performance is pleasing, we recognise that the level of real returns generated is higher than what we would expect the Fund to sustain over the long term.

The Fund has benefited from the tailwinds of strong local and global markets. Locally, the FTSE/JSE All Share Index (ALSI) reached an all-time high, surpassing the 100 000 level for the first time and delivering a 32% year-to-date return. However, the strength of the index has been narrow, driven largely by gains in Naspers/Prosus and precious metal shares. Much of the broader market has lagged. Many domestically focused companies (SA Inc shares) have surrendered the gains made in 2024, as initial optimism around the government of national unity has not yet translated into materially stronger economic growth. We are finding more bargains among local shares where valuations have become more attractive. On a relative basis, our positioning in local equities has detracted from year-to-date performance. This includes an underweight position in precious metal shares, as well as underperformance from some of the Fund's multinational shares, such as brewer AB InBev and paper and packaging group Mondi.

Local fixed income has continued to perform well, supported by declining global interest rates, expectations of lower inflation and a lower repo rate in South Africa, and a reduction in the risk premium demanded by foreign investors. Despite this, we remain cautious, given our longer-term concerns about South Africa's fiscal position, and therefore maintain conservative positioning. Cash remains an attractive alternative and provides valuable optionality. The Fund has benefited from its preference for equities over bonds.

Gold shares have delivered exceptional recent returns and now account for 16% of the index. While each company has its own idiosyncratic fundamentals, the

dominant driver has been the rising gold price. Gold and shares of gold mining companies can offer valuation diversification benefits in a portfolio. At the current gold price, valuations for gold shares are not high, which adds to their appeal. However, forecasting the gold price with confidence is notoriously difficult, so some humility in this area is advised. History reminds us that most gold mining companies have been poor businesses over the long term, often destroying value through acquisitions or overspending on new projects. We balance these factors by carefully considering the Fund's total exposure to the sector, without blindly anchoring to the weight in the Index. We encourage readers who are interested in finding out more about our view of gold and gold mining shares to read our [article on gold](#) in our Q2 2025 *Quarterly Commentary* and to [listen to episode 28](#) of *The Allan Gray Podcast*.

Global markets have extended their strong run, with a 17% year-to-date return for the MSCI World Index. The Fund's offshore allocation has produced strong relative returns, making a meaningful contribution to overall outperformance of its benchmark. This may be surprising given our significant underweight to the US and mega-cap technology shares. Noteworthy contributors have included defence companies, critical energy infrastructure and select idiosyncratic opportunities, such as AI infrastructure company Nebius Group. We continue to view global markets as fully valued, with prices reflecting high expectations. This suggests an environment that calls for caution. The Fund's global holdings continue to look very different from the World Index.

During the quarter, we added to Glencore and reduced exposure to British American Tobacco.

Commentary contributed by Tim Acker

**Fund manager quarterly
commentary as at
30 September 2025**

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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.

Compliance with Regulation 28

The Fund is managed to comply with Regulation 28 of the Pension Funds Act 24 of 1956 (the "Pension Funds Act"). Exposures in excess of the limits will be corrected immediately, except where due to a change in the fair value or characteristic of an asset, e.g. market value fluctuations, in which case they will be corrected within the prescribed regulatory time period. The Management Company does not monitor compliance by retirement funds with section 19(4) of the Pension Funds Act (item 6 of Table 1 to Regulation 28).

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

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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).

Information for investors in the tax-free investment account

The Allan Gray Tax-Free Investment Account is administered by Allan Gray Investment Services (Pty) Ltd, an authorised administrative financial services provider, and underwritten by Allan Gray Life Ltd, an insurer licensed to conduct investment-linked life insurance business as defined in the Insurance Act 18 of 2017. The underlying investment options of the Allan Gray individual products are portfolios of collective investment schemes in securities (unit trusts or funds).

FTSE/JSE All Share Index, FTSE/JSE Capped Shareholder Weighted All Share Index and FTSE/JSE All Bond Index

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