

## Fund description and summary of investment policy

The Fund invests in shares listed on the Johannesburg Stock Exchange (JSE). The Fund is typically fully invested in shares. Returns are likely to be volatile, especially over short- and medium-term periods.

**ASISA unit trust category:** South African – Equity – SA General

## Fund objective and benchmark

The Fund aims to create long-term wealth for investors. It aims to outperform the South African equity market over the long term, without taking on greater risk. To pursue its objective the Fund's portfolio may differ materially from its benchmark. This will result in the Fund underperforming its benchmark materially at times. The Fund aims to compensate for these periods of underperformance by delivering outperformance over the long term. The Fund's benchmark is the FTSE/JSE All Share Index including income.

## How we aim to achieve the Fund's objective

We seek to buy shares offering the best relative value while maintaining a diversified portfolio. 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. We invest in a selection of shares across all sectors of the JSE, and across the range of large, mid and smaller cap shares.

## Suitable for those investors who

- Seek exposure to JSE-listed equities to provide long-term capital growth
- Are comfortable with stock market fluctuation, i.e. short- to medium-term volatility
- Are prepared to accept the risk of capital loss
- Typically have an investment horizon of more than five years
- Wish to use the Fund as an equity 'building block' in a diversified multi asset class portfolio

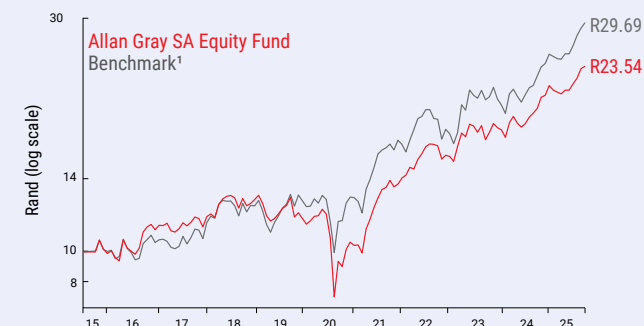
## Fund information on 30 September 2025

Fund size	R5.3bn
Number of units	983 290
Price (net asset value per unit)	R560.65
Class	A

1. FTSE/JSE All Share Index including income (source: IRESS), 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 for the Fund occurred from 25 January 2018 to 23 March 2020 and maximum benchmark drawdown occurred from 17 January 2020 to 19 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 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 of the Fund. 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 <sup>1</sup>	CPI inflation <sup>2</sup>
<b>Cumulative:</b>			
Since inception (13 March 2015)	135.4	196.9	66.5
<b>Annualised:</b>			
Since inception (13 March 2015)	8.4	10.9	5.0
Latest 10 years	9.4	11.7	4.8
Latest 5 years	18.0	19.1	5.0
Latest 3 years	17.1	23.4	4.2
Latest 2 years	18.6	26.4	3.8
Latest 1 year	16.8	28.9	3.3
Year-to-date (not annualised)	21.0	31.7	3.3
<b>Risk measures (since inception)</b>			
Maximum drawdown <sup>3</sup>	-44.3	-35.2	n/a
Percentage positive months <sup>4</sup>	60.6	58.3	n/a
Annualised monthly volatility <sup>5</sup>	14.0	14.1	n/a
Highest annual return <sup>6</sup>	57.3	54.0	n/a
Lowest annual return <sup>6</sup>	-32.0	-18.4	n/a

## Fund history

The Allan Gray Equity Fund was managed in exactly the same way as this Fund from the inception of the Allan Gray Equity Fund on 1 October 1998, until March 2015, when the Allan Gray Equity Fund changed its mandate to include the ability to invest offshore. A combined history of the two funds since inception of the Allan Gray Equity Fund can be viewed [here](#).

## Meeting the Fund objective

The Fund aims to outperform the South African equity market over the long term, without taking on greater risk. Since inception and over the latest 10- and five-year periods, the Fund has underperformed 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.	<b>31 Dec 2024</b>	<b>30 Jun 2025</b>
<b>Cents per unit</b>	<b>799.5876</b>	<b>1112.2886</b>

## Annual management fee

Allan Gray charges a fee based on the net asset value of the Fund. The fee rate is calculated daily by comparing the Fund's total performance for the day to that of the benchmark.

**Fee for performance equal to the Fund's benchmark:** 1.00% p.a. excl. VAT

For each annualised percentage point above or below the benchmark we add or deduct 0.2%. The maximum fee is uncapped and if the fee would have been negative, 0% will be charged for the day and the negative fee will be carried forward to reduce the next day's fee (and all subsequent days until the underperformance is recovered).

This means that Allan Gray shares in 20% of annualised performance relative to the benchmark.

## Total expense ratio (TER) and transaction costs

The annual management fee 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.

## Top 10 share holdings on 30 September 2025 (updated quarterly)

Company	% of portfolio
Naspers & Prosus	10.8
AB InBev	7.3
British American Tobacco	5.3
Glencore	5.1
AngloGold Ashanti	5.1
Standard Bank	4.7
Nedbank	4.0
FirstRand	4.0
Mondi	3.7
Woolworths	2.9
<b>Total (%)</b>	<b>52.9</b>

## Sector allocation on 30 September 2025 (updated quarterly)

Sector	% of equities <sup>7</sup>	% of ALSI <sup>8</sup>
Financials	25.8	24.6
Basic materials	23.5	30.5
Consumer staples	20.8	9.6
Technology	11.0	16.5
Consumer discretionary	8.4	5.8
Industrials	4.6	2.3
Energy	2.7	0.7
Healthcare	2.0	0.9
Real estate	0.8	4.3
Telecommunications	0.4	4.7
<b>Total (%)</b>	<b>100.0</b>	<b>100.0</b>

7. Includes listed property.

8. FTSE/JSE All Share Index.

## 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 %
<b>Total expense ratio</b>	<b>0.20</b>	<b>0.51</b>
Fee for benchmark performance	1.00	1.00
Performance fees	-0.84	-0.57
Other costs excluding transaction costs	0.01	0.01
VAT	0.03	0.06
<b>Transaction costs (including VAT)</b>	<b>0.13</b>	<b>0.11</b>
<b>Total investment charge</b>	<b>0.33</b>	<b>0.62</b>

## Asset allocation on 30 September 2025

Asset class	Total
Net equities	97.6
Hedged equities	0.0
Property	0.8
Commodity-linked	0.0
Bonds	0.0
Money market and cash	1.6
<b>Total (%)</b>	<b>100.0</b>

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

The Fund has returned 21% year to date, lagging its benchmark by 11%. Despite this underperformance, on a long-term basis, the absolute level of real returns is above what we would expect the Fund to deliver through the cycle.

The FTSE/JSE All Share Index (ALSI) is reaching new highs when measured both in rands and US dollars, breaching the 100 000 level for the first time. The index has been driven by Prosus/Naspers and the precious metal shares. In contrast, many SA Inc shares have been weak, and we are looking for opportunities among them.

We highlighted the strong performance of the gold sector in the Fund's Q2 2025 commentary. This has continued and then some! Gold Fields, AngloGold, DRDGOLD and Pan African Resources are all at all-time highs. Gold Fields and AngloGold are now jointly valued at R1.3 trillion and make up 13% of the index. While each of the stocks has its own idiosyncratic fundamentals, the significant price moves have been driven by the strong gold price. Although we have been positive on the gold price for a long period, we are very aware of the difficulty in predicting the gold price in the short and medium term. Long-standing clients would be aware that we have been attracted to the diversification that gold shares can bring to portfolios, but we are also cognisant that they have been poor businesses over the long term. We manage this tension by carefully thinking about position size and capping the Fund's exposure to the sector. 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*. Unfortunately, given strong price performance, we were underweight the platinum sector, with our only exposure being Northam Platinum.

One long-term holding in the Fund which has found favour with investors is British American Tobacco (BAT). The British pound share price has risen by more than 40% over the last 12 months. Part of this was an attractive starting valuation, as we have highlighted on many occasions, but the rerating was also driven by improving fundamentals. We believe the business is in a better position today than it was two years ago. The market has increasingly focused on the growth of the modern oral business within its next-generation product portfolio. Modern oral is the nicotine pouch business, which is growing quickly, especially in the US. While BAT's product, Velo, is a distant number two to Philip Morris's Zyn product in the US market, it is rapidly gaining share. BAT is the global leader outside of the US. BAT is trading on a 9 times price-to-earnings (PE) multiple compared to Philip Morris at 24 times. While we have reduced the position given the price movement, there remains further rerating potential relative to Philip Morris should BAT continue to deliver in its next-generation product portfolio.

During the quarter, the Fund purchased AB InBev and Glencore and sold BAT and MultiChoice.

**Commentary contributed by Duncan Artus**

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

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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](http://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](http://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).

## FTSE/JSE All Share Index, FTSE/JSE Financials Index, FTSE/JSE Capped Shareholder Weighted All Share Index and FTSE/JSE Mid Cap Index

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

## FTSE Russell Index

Source: London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). © LSE Group 2025. FTSE Russell is a trading name of certain of the LSE Group companies. "FTSE®" "Russell®", "FTSE Russell®", is/are a trade mark(s) of the relevant LSE Group companies and is/are used by any other LSE Group company under license. All rights in the FTSE Russell indexes or data vest in the relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company's express written consent. The LSE Group does not promote, sponsor or endorse the content of this communication.

## MSCI Index

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## Important information for investors

### Need more information?

You can obtain additional information about your proposed investment from Allan Gray free of charge either via our website [www.allangray.co.za](http://www.allangray.co.za) or via our Client Service Centre on **0860 000 654**

Fund description and summary of investment policy

The Fund invests mainly in selected shares and it uses exchange-traded derivative contracts on stock market indices to substantially reduce its net equity exposure to within a range of 0-20%. As a result, the Fund’s return depends on the level of short-term interest rates (implicit in the pricing of the sold futures contracts) and the performance of the Fund’s selected shares relative to the stock market index. The Fund’s return is therefore unlikely to be correlated with equity market returns. In addition, a portion of the Fund is typically invested in cash and margin deposits.

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

Fund objective and benchmark

The Fund aims to provide investors with long-term positive returns higher than those available in the money market sector, irrespective of stock market returns. The Fund’s benchmark is the daily interest rate as supplied by FirstRand Bank Limited.

How we aim to achieve the Fund’s objective

The Fund invests in selected shares and seeks to substantially reduce stock market risk by selling exchange-traded equity index derivatives. The selected share portfolio is derived from our thorough research process, but the selection of equities in this Fund may differ from that in the other Allan Gray funds. The deviation of the Fund’s selected share portfolio from the composition of the underlying benchmark indices (on which the derivative contracts are based) is restricted and closely monitored. This does not eliminate the risk of capital loss should the selected equities underperform.

Suitable for those investors who

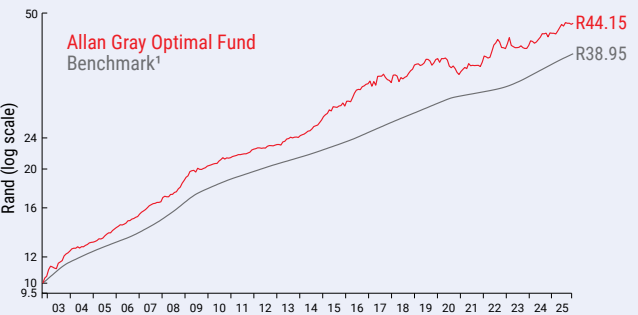
- Seek absolute (i.e. positive) returns regardless of stock market trends
- Require a high degree of capital stability over a 3-year time horizon
- Wish to invest in a product that offers uncorrelated returns relative to shares or bonds as a ‘building block’ in a diversified multi-asset class portfolio

Fund information on 30 September 2025

Fund size	R0.9bn
Number of units	23 339 123
Price (net asset value per unit)	R23.95
Class	A

Performance net of all fees and expenses

Value of R10 invested at inception with all distributions reinvested



1. The Fund’s benchmark is the daily interest rate, as supplied by FirstRand Bank, 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 6 February 2020 to 15 September 2020. Drawdown is calculated on the total return of the Fund (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 30 September 2003 and the benchmark’s occurred during the 12 months ended 30 September 2003. The Fund’s lowest annual return occurred during the 12 months ended 31 August 2020 and the benchmark’s occurred during the 12 months ended 30 November 2021. All rolling 12-month figures for the Fund and the benchmark are available from our Client Service Centre on request.

% Returns	Fund	Benchmark <sup>1</sup>	CPI inflation <sup>2</sup>
Cumulative:			
Since inception (1 October 2002)	341.5	289.5	216.6
Annualised:			
Since inception (1 October 2002)	6.7	6.1	5.2
Latest 10 years	4.9	5.5	4.8
Latest 5 years	5.8	5.4	5.0
Latest 3 years	4.1	7.0	4.2
Latest 2 years	5.4	7.1	3.8
Latest 1 year	6.4	6.7	3.3
Year-to-date (not annualised)	3.0	4.9	3.3
Risk measures (since inception)			
Maximum drawdown <sup>3</sup>	-10.2	n/a	n/a
Percentage positive months <sup>4</sup>	72.1	100.0	n/a
Annualised monthly volatility <sup>5</sup>	4.4	0.6	n/a
Highest annual return <sup>6</sup>	18.1	11.9	n/a
Lowest annual return <sup>6</sup>	-8.2	2.5	n/a

Meeting the Fund objective

Since inception and over the latest five-year period, the Fund has outperformed its benchmark. Over the latest 10-year period, the Fund has underperformed its benchmark, which is the daily interest rate supplied by FirstRand Bank Limited. The Fund aims to deliver long-term positive returns, irrespective of stock market returns.

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	37.8455	42.9417

Annual management fee

The fee rate is calculated daily by comparing the Fund’s total performance to that of the benchmark.

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

The Fund is first required to recover any underperformance before a fee higher than the fee for performance equal to the benchmark can be charged. This is known as a high watermark. If the Fund’s performance is above its previous high watermark, we add 0.2% to the fee for each percentage of performance above the high watermark. The fee is uncapped.

Total expense ratio (TER) and transaction costs

The annual management fee 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.

Top 10 share holdings on 30 September 2025 (updated quarterly)

Company	% of portfolio
Gold Fields	8.5
AngloGold Ashanti	8.2
Naspers & Prosus	6.7
AB InBev	5.4
FirstRand	4.9
British American Tobacco	4.8
Premier Group	3.9
Sasol	3.7
Mondi	3.5
Aspen	3.1
Total (%)	52.7

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	1.16	1.17
Fee for benchmark performance	1.00	1.00
Performance fees	0.00	0.00
Other costs excluding transaction costs	0.01	0.02
VAT	0.15	0.15
Transaction costs (including VAT)	0.09	0.11
Total investment charge	1.25	1.28

Asset allocation on 30 September 2025

Asset class	Total
Net equities	2.2
Hedged equities	82.4
Property	0.0
Commodity-linked	0.0
Bonds	0.0
Money market and cash	15.4
Total (%)	100.0

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

Minimum	-3.6%* (September 2016)
Average	4.5%
Maximum	15.4% (November 2018)

7. The negative net equity exposure as at 30 September 2016 is due to the cash acquisition of SABMiller by Anheuser-Busch In-Bev. This was corrected and the Fund had a positive net equity exposure by 4 October 2016.

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

The FTSE/JSE All Share Index (ALSI) added to its impressive gains in the latest quarter, returning 12.9% and taking its year-to-date return to a remarkable 31.7%. It is seldom that returns from the local equity market rank near the top of global performance tables across multiple time periods, but now is such a time. Over the last five years, the ALSI has generated a US dollar return of 18.3% per annum, ahead of both the S&P 500 and the MSCI World indices at 16.5% and 14.4% respectively.

Key to the recent bout of outperformance has been gold, with the price of the metal up 47% thus far this year, including 12% in the last month alone. This last leg higher coincided with the market starting to price in multiple US Federal Reserve interest rate cuts owing to a weakening labour market in the United States. Concerns around increasing political influence on the central bank's actions also likely contributed. Prospects for looser monetary policy conditions ahead, while US inflation continues to run stubbornly above target, heighten the appeal of gold. Only 1979, when inflation concerns were widespread, has seen better returns for the metal at this point in the year.

On the back of this move, the share prices of local gold miners have more than doubled so far this year. Platinum group metal producers, such as Valterra (formerly Anglo American Platinum) and Impala, have recently joined the market rally with their shares up nearly 50% in September alone. This, as platinum regained its allure as a precious metal, with increased investment and jewellery demand, particularly in China, aided by tight inventory levels as South African producers recover from supply disruptions earlier in the year. In last quarter's

commentary, we highlighted the concentrated nature of the local index, with precious metal producers now holding a 24% weight. Historically, the return profile from this sector has been highly erratic due to the cyclical nature of metal prices and the economics for the miners being eroded over time by cost creep and value-destructive corporate actions.

Against this backdrop, the Fund slightly underperformed its benchmark in the last quarter. While the Fund benefited from its holdings in gold miners, this was mostly offset by an underweight exposure to the platinum sector. In addition, some of the Fund's higher-conviction positions, such as brewer AB InBev, paper and packaging group Mondi and Aspen Pharmacare, fared poorly relative to the index. Significant differences between the Fund's bottom-up stock selection and that of the index offer opportunities for future potential outperformance, irrespective of the level of the overall index.

During the quarter, we bought FirstRand, reducing the extent of its underweight exposure in the Fund. We initiated new positions in Shoprite, Mr Price and Oceana and trimmed the Fund's weighting towards British American Tobacco and gold miners.

Commentary contributed by Sean Munsie

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



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## 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. 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 applicable taxes.

## 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](http://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).

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

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

## MSCI Index

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## Important information for investors

### Need more information?

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## Fund description and summary of investment policy

The Fund invests in South African interest bearing securities. Securities include national government, parastatal, municipal, corporate bonds and money market instruments. The Fund price is sensitive to interest rate movements because of the long-term nature of the Fund's investments. The duration of the Fund may differ materially from the benchmark. The Fund is managed to comply with investment limits governing retirement funds.

ASISA unit trust category: South African – Interest Bearing – Variable Term

## Fund objective and benchmark

The Bond Fund's goal is to deliver returns that exceed inflation and cash over the long term, without taking on undue risk. The Fund's benchmark is the FTSE/JSE All Bond Index.

## How we aim to achieve the Fund's objective

We try to balance credit risk, duration risk and liquidity risk when selecting investments. We target total returns for investors rather than trying to mirror the returns of the FTSE/JSE All Bond Index. When we cannot find value in the bond markets, our portfolio will be weighted towards cash to achieve better returns.

## Suitable for those investors who

- Seek a bond 'building block' for a diversified multi-asset class portfolio
- Are looking for returns in excess of those provided by money market or cash investments
- Are prepared to accept more risk of capital depreciation than in a money market or cash investment

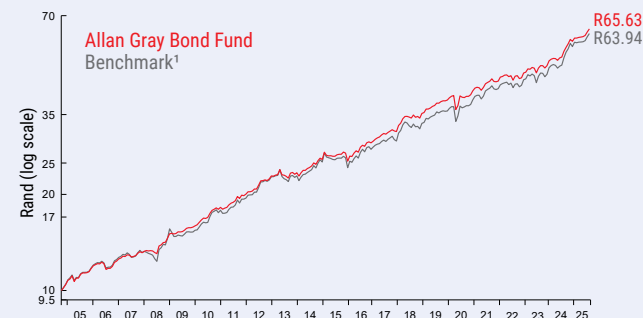
## Fund information on 30 September 2025

Fund size	R10.4bn
Number of units	590 065 259
Price (net asset value per unit)	R11.51
Modified duration	5.2
Gross yield (before fees)	9.5
Class	A

- FTSE/JSE All Bond Index (source: IRESS), performance as calculated by Allan Gray as at 30 September 2025.
- 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).
- Maximum percentage decline over any period. The maximum drawdown occurred from 27 February 2020 to 24 March 2020 and maximum benchmark drawdown occurred from 26 February 2020 to 23 March 2020. 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 30 September 2024 and the benchmark's occurred during the 12 months ended 30 September 2024. The Fund's lowest annual return occurred during the 12 months ended 31 January 2016 and the benchmark's occurred during the 12 months ended 31 January 2016. 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 <sup>1</sup>	CPI inflation <sup>2</sup>
<b>Cumulative:</b>			
Since inception (1 October 2004)	556.3	539.4	200.9
<b>Annualised:</b>			
Since inception (1 October 2004)	9.4	9.2	5.4
Latest 10 years	9.8	9.8	4.8
Latest 5 years	11.2	12.1	5.0
Latest 3 years	14.5	15.7	4.2
Latest 2 years	18.1	20.2	3.8
Latest 1 year	14.4	14.5	3.3
Year-to-date (not annualised)	13.3	14.0	3.3
<b>Risk measures (since inception)</b>			
Maximum drawdown <sup>3</sup>	-18.9	-19.3	n/a
Percentage positive months <sup>4</sup>	72.6	69.4	n/a
Annualised monthly volatility <sup>5</sup>	5.9	7.5	n/a
Highest annual return <sup>6</sup>	22.0	26.1	n/a
Lowest annual return <sup>6</sup>	-2.6	-5.6	n/a

## Meeting the Fund objective

The Fund has outperformed its benchmark since inception, and performed in line with its benchmark over the latest 10-year period. Over the latest five-year period, the Fund has underperformed its benchmark. The Fund has provided returns in excess of CPI inflation for all three periods. The Fund aims to take no greater risk than its benchmark. The maximum drawdown and lowest annual return numbers, in the 'Performance net of all fees and expenses' table, show that the Fund has successfully reduced downside risk in periods of negative market returns.

## Income distributions for the last 12 months

Actual payout, the Fund distributes quarterly	31 Dec 2024	31 Mar 2025	30 Jun 2025	30 Sep 2025
Cents per unit	26.1592	25.4437	26.1703	26.1388

## Annual management fee

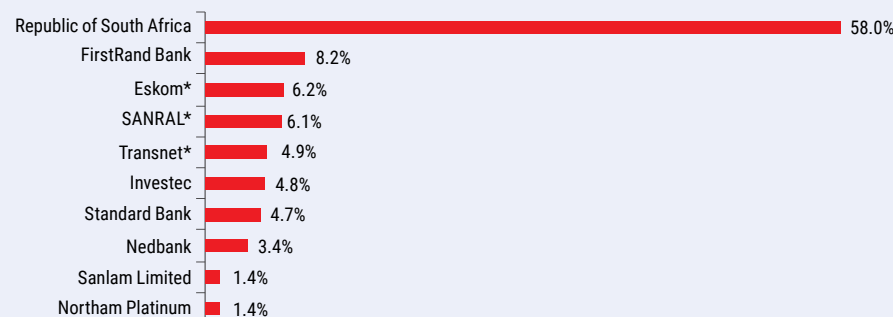
A fixed fee of 0.5% p.a. excl. VAT

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

The annual management fee 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.

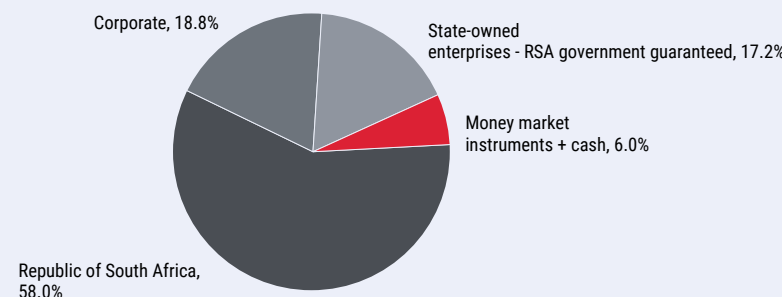
TER and transaction costs breakdown for the 1- and 3-year period ending 30 September 2025	1yr %	3yr %
<b>Total expense ratio</b>	<b>0.58</b>	<b>0.58</b>
Fee for benchmark performance	0.50	0.50
Other costs excluding transaction costs	0.01	0.01
VAT	0.08	0.08
<b>Transaction costs (including VAT)</b>	<b>0.00</b>	<b>0.00</b>
<b>Total investment charge</b>	<b>0.58</b>	<b>0.58</b>

## Top 10 credit exposures on 30 September 2025

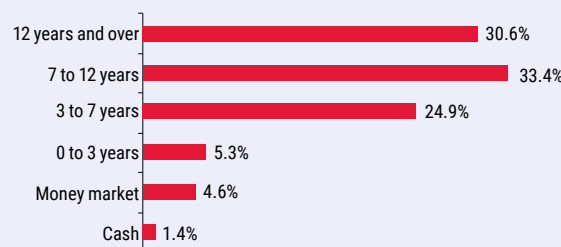


\*RSA government guaranteed

## Asset allocation on 30 September 2025



## Maturity profile on 30 September 2025



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

While 2024 was the strongest single year for SA bonds in 20 years, the track record of the FTSE/JSE All Bond Index (ALBI) for the first three quarters of 2025 is coming in at a close second. Even though South Africa's gross domestic product (GDP) and investment spending have remained lacklustre since the formation of the government of national unity, foreign investors have supported auctions this year in line with their existing ownership weight of South Africa's government bonds. This in itself presents a marked shift from the ownership de-gearing they exhibited from 2019 to 2023. While last year's foreign purchase underpin seemed to turn sharply in favour of South Africa post-election, 2025's purchasing behaviour appears to be in keeping with the insatiable offshore appetite for high-yield debt that has seen even Ghanaian Eurobonds, or a country that not so recently defaulted, trade at US dollar yields as low as 6.5%.

Although one might consider "hunt for yield" behaviour to coincide with a lower federal funds rate than that of 4%, the market has taken recent cues from the US Federal Reserve (the Fed) and so-called weakness in the US labour market as signs that US dollar rates will fall further. From a peak of more than 300 000 jobs being added in a single month in the US in 2024, only 22 000 jobs were added in August of 2025. This is among the lowest monthly job addition numbers seen in recent history outside of major recessions. Such data must be interpreted with caution, however. To say that borders have simply closed understates the situation. A mix of border closures, visa restrictions, voluntary exits and deportations should see the US experience negative net migration this year, meaning that more people are departing the country than entering it. This is a phenomenon not seen in almost 70 years and is in sharp contrast to the approximately four million workers who migrated to the US from 2022 to 2024, when one needed to add over 100 000 jobs each month just to break even with the rate of migration. In a negative net migration environment, one's "breakeven" new job listings figure to maintain employment is naturally materially lower, accounting only for people entering the labour force for the first time. The market's mindset has arguably not adjusted to that economic reality and instead responds to lower monthly job creation figures as being indicative of a near-term recession and a steep lowering of interest rates. This thinking is hugely at odds with wage growth that is still running ahead of the Fed's consumer price index target, particularly among part-time workers, which could, in turn, be a harbinger of trouble for consumer prices.

US inflation has been creeping higher towards 3% even with the full impact of tariffs still unrecorded. In such an environment, further rate cuts run the risk of stoking pricing pressures unless the Fed can be reasonably certain that a near-term recession will crush demand and prices. In some ways, such a recessionary forecast might be a dangerous bet against the near-term effects of the AI investment supercycle. Capital expenditure being laid out for new AI data centres this year is on track for US\$600bn of spend, or double the average pace of manufacturing investment that took place in the US during the prior decade. This spending, in fact, contributed more to real economic growth earlier this year than personal consumption.

While I can make a good case for why US interest rates are being cut at a time when wage and pricing pressures make it imprudent to do so, there is arguably no such case to be made in local interest rate markets. The South African Reserve Bank has been making this case since May of this year, when it had an about-turn in thinking and began speaking to the potential of a 5.5% to 6% steady state rate of interest to match an inflationary target of 3%. Since then, it has stuck to this rhetoric, although with a notable pause at its September meeting to lament the "serious dysfunction in administered prices" that has seen the National Energy Regulator of South Africa (NERSA) revise Eskom's regulated tariff increase to roughly 9% from the previously agreed 5% to 6%. As highlighted in the previous quarter's commentary, a lower inflation differential between South Africa and the United States warrants a lower fair value yield on SA bonds. This was reflected in the net additions to modified duration this year, with the Fund's current modified duration sitting higher than its recent history.

In the last quarter, the Fund added to Transnet (fully government-guaranteed) debt at attractive yields and maintained a higher yield relative to the ALBI at a lower modified duration.

Commentary contributed by Thalia Petousis

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

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## Management Company

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## Performance

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## 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](http://www.allangray.co.za).

## Yield

The Allan Gray Bond Fund's gross yield is the estimated weighted average yield-to-maturity of all underlying interest-bearing instruments as at the last day of the month. Actual returns may differ, based on changes in market values, interest rates and market factors during the investment period.

## 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.

## 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).

## 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).

## FTSE/JSE All Bond Index, FTSE/JSE All Share Index

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

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## Important information for investors

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## Fund description and summary of investment policy

The Fund invests primarily in a mix of South African interest-bearing securities, with limited exposure to offshore interest-bearing securities. Returns are likely to be less volatile than those of a bond-only fund. The Fund is managed to comply with the investment limits governing retirement funds.

ASISA unit trust category: South African – Multi Asset – Income

## Fund objective and benchmark

The Fund aims to generate income and produce returns that are superior to traditional money market funds, while preserving capital and minimising the risk of loss over any one- to two-year period. The Fund's benchmark is the Alexander Forbes Short Term Fixed Interest (STeFI) Composite Index.

## How we aim to achieve the Fund's objective

The Fund invests in a broad range of South African interest-bearing securities, such as floating-rate notes, inflation-linked bonds, fixed-rate instruments and money market securities, with limited exposure to offshore interest-bearing securities. It provides investors with income and a high degree of capital stability. We formulate an interest rate outlook, which is influenced by our inflation outlook and expectations of the resulting Reserve Bank policy response. Based on this analysis, we select securities for the Fund. While the Fund can have limited exposure to equities and property, we expect this to occur infrequently and to typically coincide with unusual or extreme points in the valuation cycle. We take a conservative approach to managing the Fund, balancing credit risk, duration risk and liquidity risk when selecting securities.

## Suitable for those investors who

- Are risk-averse and require capital preservation over any one- to two-year period
- Seek returns higher than traditional money market funds
- Seek a unit trust that provides an income
- Seek a prudently managed income 'building block'
- Wish to invest in a unit trust that complies with retirement fund investment limits

## Income distributions for the last 12 months

Actual payout, the Fund distributes quarterly	31 Dec 2024	31 Mar 2025	30 Jun 2025	30 Sep 2025
Cents per unit	23.6333	22.3434	22.1425	22.1094

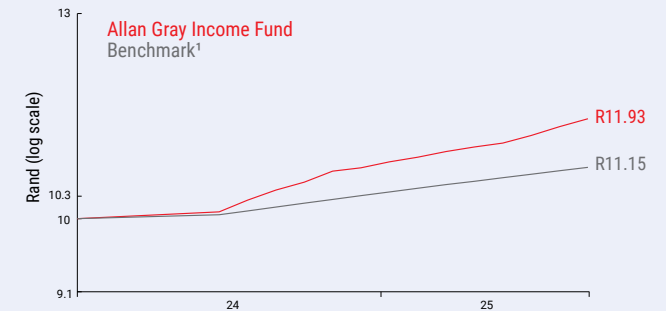
## Fund information on 30 September 2025

Fund size	R2.1bn
Number of units	102 213 499
Price (net asset value per unit)	R10.77
Modified duration	2.1
Gross yield (i.e. before fees)	8.8
Net yield (i.e. after fees)	7.9
Fund weighted average maturity (years)	4.6
Class	A

- The Fund's benchmark is the Alexander Forbes Short Term Fixed Interest (STeFI) Composite Index. Performance as calculated by Allan Gray as at 30 September 2025. Source: Bloomberg.
- 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).
- Maximum percentage decline over any period. The maximum drawdown occurred from 1 October 2024 to 8 October 2024. Drawdown is calculated on the total return of the Fund (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 May 2025 and the benchmark's occurred during the 12 months ended 30 April 2025. The Fund's lowest annual return occurred during the 12 months ended 30 September 2025 and the benchmark's occurred during the 12 months ended 30 September 2025. 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 <sup>1</sup>	CPI inflation <sup>2</sup>
<b>Cumulative:</b>			
Since inception (1 May 2024)	19.3	11.5	4.1
<b>Annualised:</b>			
Since inception (1 May 2024)	13.3	8.0	3.1
Latest 1 year	11.6	7.8	3.3
Year-to-date (not annualised)	9.4	5.7	3.3
<b>Risk measures (since inception)</b>			
Maximum drawdown <sup>3</sup>	-0.9	n/a	n/a
Percentage positive months <sup>4</sup>	100.0	100.0	n/a
Annualised monthly volatility <sup>5</sup>	1.2	0.1	n/a
Highest annual return <sup>6</sup>	12.7	8.2	n/a
Lowest annual return <sup>6</sup>	11.6	7.8	n/a

Meeting the Fund objective

Since inception, the Fund has outperformed its benchmark and provided returns in excess of CPI inflation. The Fund aims to minimise risk of loss over any one-to-two year period.

Annual management fee

A fixed fee of 0.75% p.a. excl. VAT

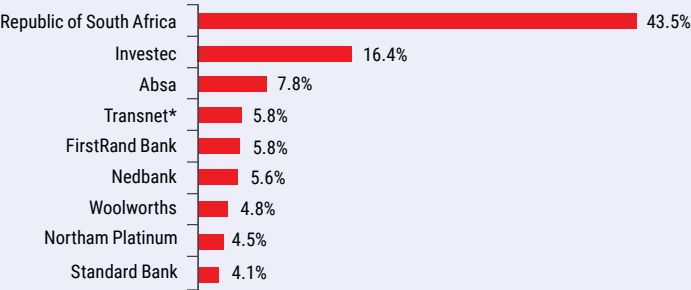
Total expense ratio (TER) and transaction costs (updated quarterly)

The annual management fee is included in the TER. The TER is the percentage of the value of the Fund that was incurred as expenses relating to the administration of the Fund, annualised over the relevant periods. 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 and are the percentage of the value of the Fund that was incurred as costs relating to the buying and selling of the assets underlying the Fund. The TER and transaction costs are based on actual data, where available, and best estimates. The total investment charge (TIC) is the sum of the TER and transaction costs.

TER and transaction costs breakdown for the 1-and 3-year period ending 30 September 2025	1yr %	3 yr % <sup>7</sup>
Total expense ratio	0.89	0.87
Fee for benchmark performance	0.75	0.75
Other costs excluding transaction costs	0.02	0.01
VAT	0.12	0.11
Transaction costs (including VAT)	0.00	0.00
Total investment charge	0.89	0.87

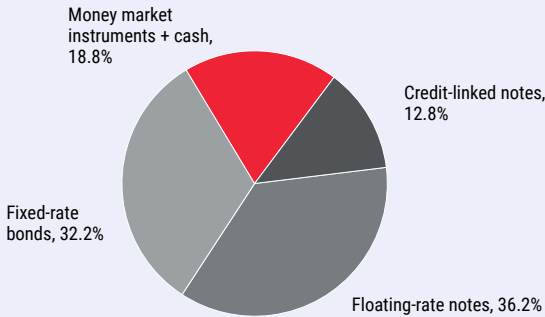
7. Based on since-inception data, as the Fund does not yet have a 3-year history.

Top credit exposures on 30 September 2025



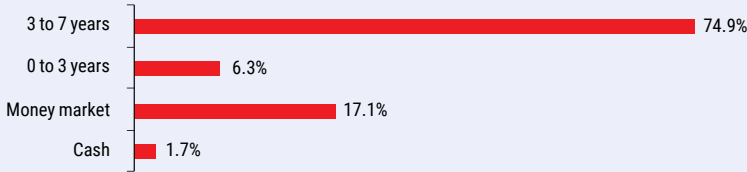
\*RSA government guaranteed

Asset allocation on 30 September 2025<sup>8</sup>



8. Foreign exposure on 30 September 2025: 0.0% is invested in foreign investments.

Maturity profile on 30 September 2025



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



It is proving to be a challenging year to decode the forces underlying US inflation and economic growth, which, in turn, has complicated the job of the US Federal Reserve (the Fed) when setting a so-called neutral policy rate of interest. Fed chair Jerome Powell summed this up quite succinctly in September with the comment: "It's not incredibly obvious what to do." After a hiatus through 2025, the Fed delivered a 25-basis point interest rate cut in September, taking the federal funds rate to 4%. While it cited a softer US labour market in arriving at this decision, this comes with quite a few caveats. From a peak of more than 300 000 jobs being added in a single month in 2024, only 22 000 were added in August of 2025. This is among the lowest numbers of monthly job additions seen in recent history outside of major US recessions. By contrast, the overall US unemployment rate remains near a healthy multidecade low of 4.3%, or more than 2% lower than that seen in the decade pre-COVID-19.

What is going on underneath the data? The answer to the US labour market conundrum may lie in what has been taking place at its borders. To say that they have simply closed understates the situation. A mix of border closures, visa restrictions, voluntary exits and deportations should see the US experience negative net migration this year, meaning that more people are departing the country than entering it. This is a phenomenon not seen in almost 70 years and is in sharp contrast to the approximately four million workers who migrated to the US over 2022 to 2024, when one needed to add over 100 000 jobs each month just to break even with the rate of migration. In a negative net migration environment, one's "breakeven" new job listings figure to maintain employment is naturally materially lower, accounting only for people entering the labour force for the first time. The market's mindset has arguably not adjusted to that economic reality and instead responds to lower monthly job creation figures as being indicative of a near-term recession and a steep lowering of interest rates. This thinking is hugely at odds with wage growth that is still running ahead of the Fed's consumer price index target, particularly among part-time workers, which could, in turn, be a harbinger of trouble for consumer prices.

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In the last quarter, the Fund maintained its higher duration positioning after adding during the second quarter of 2025. It bought Transnet (fully government-guaranteed) debt at attractive yields and diluted its holdings of government credit-linked notes in order to take profit into market strength.

Commentary contributed by Thalia Petousis

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

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## 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. 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](http://www.allangray.co.za).

## Yield

The Fund's gross yield is the estimated weighted average yield-to-maturity of all underlying interest-bearing instruments as at the last day of the month. The one-year TER is deducted from the gross yield to derive a yield net of fund expenses. Actual returns may differ based on changes in market values, interest rates and market factors during the investment period.

## 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.

## 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).

## 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).

## FTSE/JSE All Share Index, FTSE/JSE All Bond Index

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Fund description and summary of investment policy

The Fund invests in South African money market instruments with a term shorter than 13 months. These instruments can be issued by government, parastatals, corporates and banks. The Fund is managed to comply with regulations governing retirement funds.

While capital losses are unlikely, they can occur if, for example, one of the issuers of an instrument held by the Fund defaults. In this event losses will be borne by the Fund and its investors.

ASISA unit trust category: South African – Interest Bearing – SA Money Market

Fund objective and benchmark

The Fund aims to preserve capital, maintain liquidity and generate a sound level of income. The Fund’s benchmark is the Alexander Forbes Short Term Fixed Interest (STeFI) 3-month Index.

How we aim to achieve the Fund’s objective

The Fund invests in selected money market instruments providing an income yield and a high degree of capital stability. We formulate an interest rate outlook, which is influenced by our inflation outlook and expectations of the resulting Reserve Bank policy response. Based on this analysis, we select investments for the Fund. These assets are typically held to maturity. We take a conservative approach to credit risk.

Suitable for those investors who

- Require monthly income distributions
- Are highly risk-averse but seek returns higher than bank deposits
- Need a short-term investment account

Fund information on 30 September 2025

Fund size	R29.0bn
Number of units	24 531 293 836
Price (net asset value per unit)	R1.00
Monthly yield at month end	0.61
Fund weighted average coupon (days)	81.14
Fund weighted average maturity (days)	116.72
Class	A

- The current benchmark is the Alexander Forbes Short Term Fixed Interest (STeFI) 3-month Index. From inception to 31 March 2003, the benchmark was the Alexander Forbes 3-Month Deposit Index. From 1 April 2003 to 31 October 2011, the benchmark was the Domestic Fixed Interest Money Market Collective Investment Scheme sector excluding the Allan Gray Money Market Fund. From 1 November 2011 to 19 August 2024, the benchmark was the Alexander Forbes Short Term Fixed Interest (STeFI) Composite Index. Performance as calculated by Allan Gray as at 30 September 2025. Source: Bloomberg.
- 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).
- 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 July 2003 and the benchmark’s occurred during the 12 months ended 31 July 2003. The Fund’s lowest annual return occurred during the 12 months ended 31 October 2021 and the benchmark’s occurred during the 12 months ended 31 October 2021. All rolling 12-month figures for the Fund and the benchmark are available from our Client Service Centre on request.

Income distribution for the last 12 months

Actual payout (cents per unit), the Fund distributes monthly

Oct 2024	Nov 2024	Dec 2024	Jan 2025
0.72	0.68	0.68	0.68
Feb 2025	Mar 2025	Apr 2025	May 2025
0.61	0.67	0.64	0.66
Jun 2025	Jul 2025	Aug 2025	Sep 2025
0.63	0.65	0.63	0.61

Performance net of all fees and expenses

% Returns	Fund	Benchmark <sup>1</sup>	CPI inflation <sup>2</sup>
Cumulative:			
Since inception (1 July 2001)	506.4	476.5	252.2
Annualised:			
Since inception (1 July 2001)	7.7	7.5	5.3
Latest 10 years	7.2	6.7	4.8
Latest 5 years	6.9	6.4	5.0
Latest 3 years	8.4	7.9	4.2
Latest 2 years	8.6	8.0	3.8
Latest 1 year	8.2	7.6	3.3
Year-to-date (not annualised)	5.9	5.5	3.3
Risk measures (since inception)			
Percentage positive months <sup>3</sup>	100.0	100.0	n/a
Annualised monthly volatility <sup>4</sup>	0.6	0.6	n/a
Highest annual return <sup>5</sup>	12.8	13.3	n/a
Lowest annual return <sup>5</sup>	4.3	3.8	n/a

Meeting the Fund objective

The Fund has preserved capital, maintained liquidity and generated a sound level of income.

Annual management fee

A fixed fee of 0.25% p.a. excl. VAT

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

The annual management fee 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.

TER and transaction costs breakdown for the 1- and 3-year period ending 30 September 2025	1yr %	3yr %
Total expense ratio	0.29	0.29
Fee for benchmark performance	0.25	0.25
Other costs excluding transaction costs	0.00	0.00
VAT	0.04	0.04
Transaction costs (including VAT)	0.00	0.00
Total investment charge	0.29	0.29

Credit exposures as at 30 September 2025

	% of portfolio
Governments	47.5
Republic of South Africa	47.5
Banks <sup>6</sup>	48.7
Nedbank	18.3
Investec	10.8
Standard Bank	10.4
Absa	5.2
FirstRand	4.0
Corporates	3.8
Shoprite Holdings	2.6
Daimler Truck	1.2
Sanlam	0.0
Total (%)	100.0

6. Banks include negotiable certificates of deposit (NCDs), floating-rate notes, fixed-rate notes, and call deposits.

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

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During the last quarter, the Fund maintained a high weighting to government Treasury bills versus the Fund's longer history. Low economic growth in South Africa has been accompanied by tepid bank asset and loan growth, which, in turn, lowers bank appetite for funding via the money markets. Government appetite for debt, by contrast, has risen over the last several years.

Commentary contributed by Thalia Petousis

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

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## 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.

## The Allan Gray Money Market Fund is not a bank deposit account

The Fund aims to maintain a constant price of 100 cents per unit. The total return an investor receives is made up of interest received and any gain or loss made on instruments held by the Fund. While capital losses are unlikely, they can occur if, for example, one of the issuers of an instrument defaults. In this event, investors may lose some of their capital. To maintain a constant price of 100 cents per unit, investors' unit holdings will be reduced to the extent of such losses. The yield is calculated according to applicable ASISA standards. Excessive withdrawals from the Fund may place it under liquidity pressure; if this happens, withdrawals may be ring-fenced and managed over a period of time.

Purchase and redemption requests must be received by the Management Company by 11:00 each business day to receive that day's price. Unit trust prices are available daily on [www.allangray.co.za](http://www.allangray.co.za).

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