

Fund description and summary of investment policy

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

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

Fund objective and benchmark

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

How we aim to achieve the Fund’s objective

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

Suitable for those investors who

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

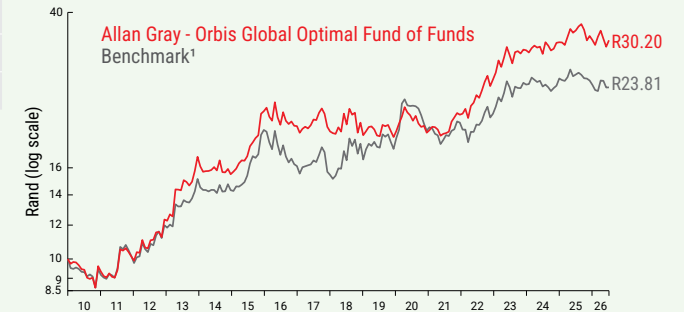
Fund availability: Subject to offshore capacity constraints. Please visit our website or contact our Client Service Centre for further information about any constraints that may apply.

Fund information on 30 June 2026

Fund size	R1.0bn
Number of units	33 910 202
Price (net asset value per unit)	R30.15
Class	A

Performance net of all fees and expenses

Value of R10 invested at inception with all distributions reinvested



1. The simple average of the benchmarks of the underlying funds, performance as calculated by Allan Gray as at 30 June 2026.
2. This data reflects the latest available headline CPI inflation numbers for South Africa and the United States of America, as at 31 May 2026 (Source: Iress).
3. Maximum percentage decline over any period. The maximum rand drawdown occurred from 18 May 2016 to 24 March 2017 and maximum benchmark drawdown occurred from 18 January 2016 to 23 February 2018. Drawdown is calculated on the total return of the Fund/benchmark (i.e. including income).
4. The percentage of calendar months in which the Fund produced a positive monthly rand 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 rand return occurred during the 12 months ended 31 December 2013 and the benchmark’s occurred during the 12 months ended 31 January 2016. The Fund’s lowest annual rand return occurred during the 12 months ended 31 May 2017 and the benchmark’s occurred during the 12 months ended 28 February 2017. All rolling 12-month figures for the Fund and the benchmark are available from our Client Service Centre on request.

% Returns	Fund		Benchmark¹		CPI inflation²	
Cumulative:	ZAR	US\$	ZAR	US\$	ZAR	US\$
Since inception (2 March 2010)	202.0	41.6	138.1	11.6	120.5	53.7
Annualised:						
Since inception (2 March 2010)	7.0	2.2	5.5	0.7	5.0	2.7
Latest 10 years	4.0	2.9	2.9	1.8	4.7	3.4
Latest 5 years	9.9	6.9	5.5	2.5	5.1	4.5
Latest 3 years	2.5	7.3	0.0	4.7	4.2	3.3
Latest 2 years	3.5	9.1	-0.2	5.2	3.7	3.3
Latest 1 year	-4.9	3.1	-6.3	1.6	4.5	4.2
Year-to-date (not annualised)	-0.1	1.1	-1.3	-0.1	3.2	2.7
Risk measures (since inception)						
Maximum drawdown³	-18.9	-31.3	-26.6	-16.1	n/a	n/a
Percentage positive months⁴	52.6	56.6	46.9	51.0	n/a	n/a
Annualised monthly volatility⁵	12.9	7.5	13.1	4.2	n/a	n/a
Highest annual return⁶	39.6	20.6	35.6	10.7	n/a	n/a
Lowest annual return⁶	-12.4	-15.3	-19.1	-11.5	n/a	n/a

Meeting the Fund objective

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

Income distributions for the last 12 months

To the extent that income earned in the form of dividends and interest exceeds expenses in the Fund, the Fund will distribute any surplus annually.	31 Dec 2025
Cents per unit	0.3188

Annual management fee

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

Initial, exit and switching fees	0.00%
Base fee	1.00% per annum
Performance fee sharing rate	20% for outperformance relative to the benchmark.
Performance fee benchmark	US dollar bank deposits and euro bank deposits for the respective classes.

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

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

Total expense ratio (TER) and transaction costs

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

Asset allocation on 30 June 2026

Asset class	Total	United States	UK	Europe ex-UK ⁷	Japan	Other ⁷	Emerging Markets
Net equities	-1.8	-13.3	0.3	6.3	2.5	-4.3	6.6
Hedged equities	87.3	50.5	5.7	2.2	16.4	6.3	6.3
Property	4.6	0.0	0.0	0.0	1.2	3.4	0.0
Money market and cash	10.0	6.9	0.1	-0.2	2.2	0.5	0.5
Total (%)	100.0	44.0	6.1	8.2	22.4	5.9	13.4
Currency exposure	100.0	46.4	8.3	8.9	7.6	10.3	18.5

7. Refers to developed markets only.

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

Total expense ratio (TER) and transaction costs for periods ending 30 June 2026 (updated quarterly)

1- and 3-year TER and transaction costs breakdown	1yr %	3yr %
Total expense ratio	1.55	1.24
Fee for benchmark performance	1.00	1.00
Performance fees	0.47	0.16
Other costs excluding transaction costs	0.07	0.08
VAT	0.00	0.00
Transaction costs (including VAT)	0.13	0.12
Total investment charge	1.67	1.37

Top 10 share holdings on 30 June 2026

Company	% of portfolio
Nebius Group	5.4
Corpay	3.9
Taiwan Semiconductor Mfg	3.8
FirstService	3.4
Bruker	3.1
Experian	2.8
RXO	2.4
United Integrated Services	2.3
Smurfit WestRock	2.2
CarGurus	2.2
Total (%)	31.5

Fund allocation on 30 June 2026

Fund	%
Orbis Optimal SA (US\$)	62.0
Orbis Optimal SA (Euro)	38.0
Total (%)	100.0

The Orbis Optimal SA Fund is built to seek returns above cash by owning carefully selected stocks, while hedging away the bulk of its stock market exposure. Returns are therefore driven less by the market's direction and more by how the businesses we own fare relative to the regional markets we hedge against.

Japanese equities have fared spectacularly. Over the last 12 months, the TOPIX is up 43%, and the Nikkei 225 has climbed by 76% as several forces have converged. Corporate governance reforms have attracted growing interest from foreign investors. After decades of deflation, inflation has returned, encouraging companies to deploy idle capital more productively. Enthusiasm for artificial intelligence (AI) has spread beyond Silicon Valley and into Japan.

Even as Japan's stock market has enjoyed one of its best starts to the year in decades, only a quarter of stocks in the TOPIX and one-fifth of stocks in the Nikkei 225 have delivered index-beating returns year to date. Last quarter, we wrote about placing two different bets when buying the S&P 500. Applying a similar lens to Japan, when buying the Nikkei 225 index three years ago, roughly 40% of your capital went to 10 companies trading at a weighted average of 33 times forward earnings, with the remaining 60% spread across 215 companies trading at 22 times. Today, that same 40% exposure sits in just four companies trading at 48 times, while the other 60% still trades at a much lower 26 times. The advance has created an unusually narrow yet powerful market, propelled by a small cluster of stocks, many of which are tied directly or indirectly to AI. The poster child is Kioxia – a memory chip manufacturer that was spun out of Japanese industrial giant Toshiba – which has overtaken Toyota as the country's most valuable listed company, up a remarkable 55 times since its initial public offering in late 2024.

We have seen environments like this before. Investors become excited about a powerful theme, capital flows towards a relatively small group of perceived winners, and an increasingly large part of the market is left behind. The winners continue to win, attracting more capital and reinforcing the cycle. The stocks outside these favoured areas struggle to keep pace. Many high-quality Japanese businesses now trade at valuations that imply they are AI losers, or at best, irrelevant to the technology-driven future that investors are trying to price. In our view, this framing is often too simplistic.

Our contrarian philosophy means that we are comfortable being early, so long as we are paying the right price. What we are not comfortable with is paying too much or simply following the crowd. We do not dispute the transformative potential of AI, but when expectations rise faster than earnings power, we do question whether investors are being adequately compensated for the risk of being wrong, or merely less right than the market expects. In this environment, we are finding more attractive ideas in higher-quality Japanese businesses that the market has temporarily fallen out of love with – where we believe short-term noise is obscuring the long-term signal.

Few companies' products are as universally loved as those of Nintendo, a company that has been handed the "AI loser" label, with more dramatic consequences. Its share price has halved since peaking in August. We have used the sell-off to build Nintendo into the largest Japanese holding in the Fund. The market's reaction has centred on AI, with investors worrying both about near-term cost pressure and longer-term disruption to the gaming industry. In our view, both concerns are overblown.

The more immediate pressure comes from memory prices. As hyperscalers absorb supply to build out AI infrastructure, Nintendo's input costs have risen, and near-term hardware margins are likely to be squeezed. The pressure is real and will show up in the numbers. But what the market seems to be treating as a structural shift in Nintendo's economics looks to us more like a cyclical squeeze with management retaining multiple levers to pull over time.

The broader worry is that AI will democratise game development, lowering barriers to entry, flooding the market with compelling content and eroding Nintendo's competitive advantage. We think this view misunderstands where Nintendo's moat lies. Mario, Zelda, and Pokémon are well-made games, but they are also cultural institutions, built over decades of creative iteration, with multi-generational fan bases and genuine emotional attachment. Nintendo's advantages stretch beyond game development to its intellectual property, its characters and the trust it has earned through half a century of delivering exceptional experiences.

Nor is this the first time technology has been declared an existential threat to Nintendo. Piracy, smartphones and subscription streaming have each been seen as potential disruptors. Each time, Nintendo was written off. Each time, it was premature, as the company adapted and innovated.

While quick to price in risks, the market seems to be overlooking the opportunities. We believe Nintendo's intellectual property remains significantly undermonetised beyond gaming. *The Super Mario Bros. Movie*, which generated over US\$1.3bn at the global box office, showed the commercial power of its characters outside the console. Theme parks, film, television and licensing remain meaningful, underpenetrated earnings streams. Meanwhile, the Nintendo Switch 2 cycle is still in its early innings, with a rich software pipeline ahead.

Nintendo illustrates a broader pattern of Japanese businesses with strong fundamentals, proven track records and clear long-term potential trading at valuations we see as too good to ignore. Against the extraordinary moves in AI-related stocks, some of our Japanese holdings can look comparatively unexciting in the short term. But share price momentum and business value are not the same thing.

The Fund's overall net equity exposure fell over the quarter. Among individual positions, we initiated a position in United Integrated Services, a Taiwan-based company that provides engineering and construction services to the semiconductor industry. We exited the position in Ryder System, a US-based transportation and logistics services provider, into share price strength.

Adapted from a commentary contributed by Alex Bowles, Orbis Portfolio Management (Europe) LLP, London

Fund manager quarterly commentary as at 30 June 2026

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

© 2026 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 company and its products and services. 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. Allan Gray is an authorised financial services provider.

Management Company

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

Performance

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

Fund mandate

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

Unit price

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

Fees

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

Total expense ratio (TER) and transaction costs

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

Fund of funds

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

Foreign securities

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

FTSE Russell Index

Source: London Stock Exchange Group plc and its group undertakings (collectively, the “LSE Group”). © LSE Group 2026. 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 indices 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 indices or data and no party may rely on any indices 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

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.

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 or via our Client Service Centre on **0860 000 654**