ALLAN GRAY

Fund managers: Rory Kutisker–Jacobson, Varshan Maharaj
Fund inception date: 3 April 2017 **Registration number:** 51626

Allan Gray Frontier Markets Equity Fund

C Class **31 October 2026**

Fund description and summary of investment policy

The Fund invests in a focused portfolio of Frontier Market Equities. The Fund price is reported in US dollars, but the underlying holdings are denominated in various currencies. Returns are likely to be volatile.

Classification: Frontier Markets – Equity

Fund objective and benchmark

The Fund aims to outperform Frontier Markets over the long term without taking on greater risk of loss. The Fund's benchmark is the MSCI Select Emerging and Frontier Markets Access Index. The Fund does not seek to mirror the benchmark but instead may deviate meaningfully from this performance benchmark in pursuit of superior returns. To the extent that its investments differ from those in the benchmark, the Fund faces the risk of underperforming the benchmark.

Frontier Market Equities

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

- Individual countries may impose capital controls preventing the repatriation of foreign currency
- Returns are expected to be more volatile, and the average drawdown may be higher, than in more developed markets
- Low liquidity whereby subscriptions into the Fund may have to be phased in, and redemptions from the Fund may be limited per dealing day
- Market prices may not accurately reflect the fair value of a Fund asset and fair value pricing may be used

There is no assurance that the investment approach of the Fund will be successful or that the Fund will achieve its investment objective.

See the "Important information for investors" section for more information.

How we aim to achieve the Fund's objective

We invest in equities that we believe offer superior fundamental value while taking into account risk and return. We research companies and assess their intrinsic value based on long-term fundamentals; we then invest in businesses where our assessment of intrinsic value exceeds the share price by a margin of safety. This approach allows us to identify shares that may be out of favour with the market because of poor near-term prospects, but offer good value over the long term. The Fund's holdings will deviate meaningfully from those in the index both in terms of individual holdings and sector exposure.

Suitable for those investors who

- Seek exposure to Frontier Market Equities
- Are comfortable with above-average stock market and currency fluctuations
- Are prepared to take on the risk of capital loss
- Have a minimum investment horizon of five years

Fund information on 31 October 2026

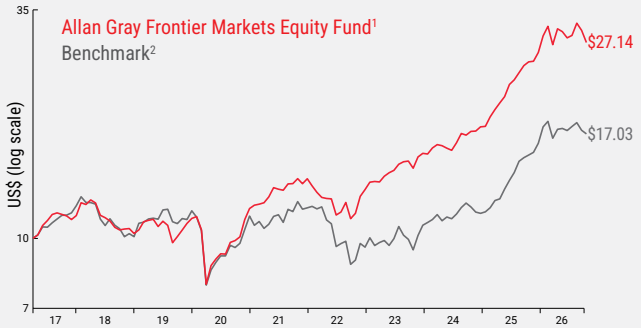
Fund currency	US$
Fund size	US$1 411m
Number of shares	4 414 830
Price (net asset value per share)	US$271.31
Number of share holdings	47
Dealing day	Weekly (Thursday)
Class	C
Class inception date	21 January 2021

Minimum investment amounts

Minimum initial investment	US$50 000
Minimum subsequent investment	US$1 000

Performance in US$ net of all fees and expenses

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



% Returns	Fund[1]	Benchmark[2]
Cumulative:		
Since inception (3 April 2017)	171.4	70.3
Annualised:		
Since inception (3 April 2017)	11.0	5.7
Latest 5 years	14.9	7.2
Latest 3 years	23.8	21.8
Latest 2 years	25.5	20.5
Latest 1 year	10.4	11.4
Year-to-date (not annualised)	5.2	4.9
Risk measures (since inception)		
Maximum drawdown[3]	-34.9	-36.3
Percentage positive months[4]	66.1	61.7
Annualised monthly volatility[5]	15.1	15.8
Highest annual return[6]	58.7	55.4
Lowest annual return[6]	-27.8	-28.6

Relative-to-benchmark return required to reach high watermark: 4.3%

1. The performance and risk measures prior to inception of the C Class of the Fund are calculated using the performance of the A Class of the Fund.
2. MSCI Select Emerging and Frontier Markets Access Index (source: MSCI), performance as calculated by Allan Gray. Calculation based on the latest available data as supplied by third parties. From inception to 31 March 2026, the benchmark was the MSCI Frontier Emerging Markets (FEM) Index.
3. Maximum percentage decline over any period calculated from monthly returns. The maximum drawdown occurred from 31 March 2018 to 31 March 2020 and maximum benchmark drawdown occurred from 31 January 2018 to 31 March 2020. Drawdown is calculated on the total return of the Fund/benchmark (i.e. including income).
4. The percentage of calendar months in which the Fund produced a positive monthly return since inception.
5. The standard deviation of the Fund's monthly return. This is a measure of how much an investment's return varies from its average over time.
6. This is the highest or lowest rolling 12-month return the Fund has experienced since inception. The Fund's highest annual return occurred during the 12 months ended 28 February 2026 and the benchmark's occurred during the 12 months ended 28 February 2026. 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 the Allan Gray Service Team on request.

Meeting the Fund objective

The Fund aims to outperform Frontier Markets over the long term without taking on greater risk of loss. The Fund may experience periods of underperformance in pursuit of this objective. Since inception, the Fund has outperformed its benchmark. The maximum drawdown and lowest annual return numbers in the "Performance in US$ net of all fees and expenses" table show that the Fund has not experienced more downside than its benchmark in periods of negative market returns. We believe our philosophy of buying undervalued equities should generate positive absolute returns over time.

Subscription and redemption charge

Investors will be charged 0.5% when subscribing for Fund shares and 0.5% when redeeming Fund shares. These charges are paid into the Fund to offset the costs associated with the transactions that are borne by the Fund. Allan Gray Bermuda Limited (the "Investment Manager") may waive these charges at its discretion, for example in the case of significant offsetting between subscriptions and redemptions.

Annual management fee

The management fee consists of a base fee of 0.7% and a performance component. The fee rate is calculated weekly by comparing the Fund's total performance for the week, after the base fee is deducted, to that of the benchmark.

Fee for performance equal to the Fund's benchmark: 0.7% p.a.

For each percentage point above or below the benchmark we add or deduct 0.2%. This means that Allan Gray shares in approximately 20% of the performance relative to the benchmark. The fee can decrease to a minimum of 0%. If the fee would have been negative, the negative fee will be carried forward to reduce the next week's fee (and all subsequent weeks until the underperformance is recovered).

Total expense ratio (TER) and transaction costs

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

Country of listing on 31 October 2026[7]

Country	% of equities	Benchmark[2]
United Kingdom	23.7	0.0
Philippines	14.6	1.7
Kazakhstan	14.3	1.9
Vietnam	13.2	7.6
Nigeria	6.8	0.0
Egypt	4.3	0.2
Bangladesh	4.2	0.4
Sri Lanka	3.3	0.0
Indonesia	3.2	3.2
Australia	2.5	0.0
United Arab Emirates	0.0	10.4
Saudi Arabia	0.0	9.6
Thailand	0.9	8.4
South Africa	0.0	8.4
Poland	0.9	8.1
Mexico	0.7	7.8
Malaysia	0.0	4.7
Turkey	2.5	4.4
Romania	0.0	4.3
Greece	0.0	3.8
Other	5.0	15.0
Total (%)[8]	**100.0**	**100.0**

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

Sector allocation on 31 October 2026

Sector	% of equities	Benchmark[2]
Financials	42.5	29.5
Consumer staples	29.0	6.7
Basic materials	11.0	5.4
Industrials	7.0	9.6
Consumer discretionary	5.0	8.9
Healthcare	3.3	2.7
Energy	1.8	6.5
Technology	0.4	0.9
Telecommunications	0.0	9.2
Utilities	0.0	8.3
Real estate	0.0	12.3
Total (%)[8]	**100.0**	**100.0**

Asset allocation on 31 October 2026

Asset class	Total
Net equities	96.8
Bonds	4.0
Money market and cash[9]	-0.8
Total (%)[8]	**100.0**

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

1- and 3-year TER and transaction costs breakdown	1yr %	3yr %
Total expense ratio	**1.91**	**2.02**
Management fee	0.70	0.70
Performance fees	0.53	0.81
Custody fees	0.08	0.09
Other costs excluding transaction costs	0.60	0.42
Transaction costs	**0.06**	**0.05**
Total investment charge	**1.97**	**2.07**

Fund manager quarterly commentary as at 30 September 2026

During the quarter, the Fund returned 3.9% in US dollars, while the MSCI Select Emerging and Frontier Markets Access Index returned 0.1% in US dollars. Notable contributors over the quarter included the Georgian banks and Nigerian independent energy company Seplat Energy, while the Philippine spirits producer, Ginebra San Miguel was a notable detractor.

The ongoing conflict involving Iran, Israel and the United States continues to contribute to heightened uncertainty, negative sentiment and asset price volatility. While this volatility can be difficult for financial market participants to stomach, we seek to use it to our advantage in at least two ways.

Firstly, we hold positions in precious metal miners and energy-related businesses such as AngloGold Ashanti, Zimplats and Seplat Energy. Gold and energy-related holdings may benefit from asymmetric gains when geopolitical tensions, heightened uncertainty and supply chain disruptions drive sharp changes in the price of commodities, such as gold, platinum and crude oil.

Secondly, we use emotionally driven overreactions to negative news flow to build positions in high-quality companies at attractive prices. We also use strong share price rallies during good times to reduce positions when share prices run ahead of our assessment of the business's underlying fundamentals.

Over the quarter, we took advantage of the emotionally driven sell-off to add to our holdings in Vietnamese businesses, including Masan Group. One of Vietnam's largest private sector conglomerates, Masan Group owns food and beverage brands that reach most Vietnamese households. Its retail subsidiary WinCommerce operates the largest modern retail network in the country. These businesses benefit as Vietnam's middle class grows and consumers shift from small, unbranded market stalls towards trusted brands and organised retail.

Masan Group also owns 19.7% of Techcombank, one of the country's leading private banks. According to Bloomberg data, the bank has more than doubled its adjusted earnings per share in Vietnamese dong over the past five years. Masan Group also owns a collection of other assets, including one of the largest tungsten mines in the world and a tea and coffee chain. It reported record profit for the first half of 2026, with management expecting full-year profit to grow by more than 50% year-on-year in Vietnamese dong.

The combination of dominant everyday consumer franchises, improving profitability and exposure to Vietnam's rising incomes makes the business an efficient way to participate in the country's growth story. Despite trading at a large discount to our estimated intrinsic value, Masan Group's US dollar share price has declined by more than 21% from its recent high in September 2025. We do not believe that this decline reflects a deterioration in the company's fundamentals, and therefore, we used the weakness as an opportunity to increase our holding.

Earlier this year, we expanded our investment universe. We added seven new positions across new markets and are actively researching many other interesting prospects. The new holdings include TOA Paint, a Thai paint manufacturer, and Avian Brands, one of Indonesia's largest paint and building supplies manufacturers. Both businesses have very attractive characteristics, including that they:

- Are market leaders in their domestic markets
- Are operated by members of their founding families, who remain heavily invested in the business
- Have strong balance sheets with significant net cash positions
- Are actively buying back their shares
- Trade at share prices significantly below our estimates of intrinsic value

On a trailing 12-month basis, Avian Brands and TOA Paint trade on price-to-earnings multiples of 10.2 times and 9.3 times respectively – low relative to their historical levels. Both stocks have derated as new home sales have been weak in both markets in recent years. We consider this weakness to be cyclical rather than structural. Both still have a long runway for growth.

At the other end of the spectrum, sentiment and ratings of our Nigerian holdings have improved significantly over the past year. Earnings have also grown over this period, leading to strong share price performance. We have used this opportunity to take some profits.

During the quarter, the Fund added to Southeast Asian stocks, took profits in Nigerian stocks to manage position sizes and sold our position in Krka, a Slovenian generic pharmaceutical manufacturer, due to its share price rising beyond our estimate of intrinsic value.

Despite pleasing performance in absolute and relative terms, there continues to be little interest among global investors in the select emerging and frontier markets universe. This is a contributing factor to the wide disparity in valuation multiples between these companies and comparable companies in developed markets. We will continue to use this backdrop to buy good businesses at discounted prices.

Commentary contributed by Varshan Maharaj

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Definitions
Frontier Markets means markets included in the MSCI Select Emerging and Frontier Markets Access Index and Beyond Frontier markets. Beyond Frontier markets are markets not included in developed, emerging or frontier indices. Frontier Market Equities means equity in companies domiciled, geographically located or with significant business interests in Frontier Markets, regardless of the location of the stock exchange listing.

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

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

Share price
Share prices are calculated on a net asset value basis, which is the total market value of all assets in the Fund, including any income accruals and less any permissible deductions from the Fund divided by the number of shares in issue. Forward pricing is used. The weekly price of the Fund is normally calculated each Friday. Purchase requests must be received by the Registrar of the Fund by 17:00 South African time on that dealing day to receive that week's price. Redemption requests must be received by the Registrar of the Fund by 17:00 South African time on the particular dealing day on which shares are to be redeemed to receive that week's price. Share prices are available on www.allangray.co.za.

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

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

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

Capacity
The Fund currently has limited capacity. The Investment Manager may, at its discretion, refuse a subscription or phase a subscription into the Fund over a number of dealing days. Total investor redemptions may be limited to US$5m or 2.5% of the Fund (whichever is less) per dealing day. The Investment Manager retains the right to distribute all or part of any redemption proceeds in specie (in kind).

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

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

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

Operating expense cap
The Investment Manager has agreed with the Fund that, except for specified exclusions, operating expenses attributable to the Fund will be capped at a rate of 0.15% per annum during the Fund's financial year. The cap will be automatically extended for further successive one-year periods, unless the Investment Manager notifies the Fund that the cap will not continue at least three months prior to the expiry of the term, as extended. The Investment Manager will meet expenses incurred in excess of such cap and will not seek reimbursement from the Fund. The operating expenses that are capped are all expenses excluding the fees of the Investment Manager, the cost of buying and selling assets and custody fees.

Important information for investors

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