Allan Gray Multi-Manager Cautious Portfolio

31 March 2026

Portfolio description and summary of investment policy

The Portfolio invests in the cautious mandates of a minimum of three managers, all of which are managed to comply with the investment limits governing retirement funds. The Allan Gray Stable Portfolio has a target allocation of 30% (excluding cash) in the Multi-Manager Portfolio. This allocation can change as a result of performance within pre-defined parameters. The Portfolio is a pooled portfolio offered by Allan Gray Life Limited and is only available via the Allan Gray retirement funds and the Allan Gray Living Annuity.

Portfolio objective and benchmark

The Portfolio aims to provide a high degree of capital stability and to minimise the risk of loss over any two-year period, while producing long-term returns that are superior to bank deposits. The Portfolio's benchmark is the Consumer Price Index, plus 3%.

How we aim to achieve the Portfolio's objective

We have selected managers with a strong track record who have consistently executed on their investment approach over time. These managers have complementary investment styles which, when combined appropriately, should improve the Portfolio's potential to deliver returns through different market cycles.

Suitable for those investors who

- Are risk-averse and require a high degree of capital stability
- Seek both above-inflation returns over the long term, and capital preservation over any two-year period
- Require some income but also some capital growth
- Wish to invest in a portfolio that complies with retirement fund investment limits
- Wish to diversify risk across multiple managers

Annual management fee

Each underlying manager charges a fee within their portfolio. Where performance fees are charged, this is based on the performance of the portfolio compared to its benchmark. The benchmarks of the underlying portfolios may differ from the benchmark of the Portfolio.

Allan Gray charges a multi-management fee based on the net asset value of the Portfolio, excluding the portion invested in Allan Gray portfolios. This fee is 0.20% p.a. (which equates to approximately 0.14% p.a. on the entire Portfolio).

Portfolio information on 31 March 2026

Portfolio size	R508.5m

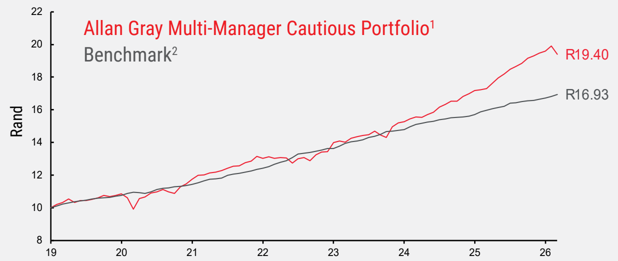
Underlying portfolio allocation on 31 March 2026

Portfolio	% of Portfolio
Allan Gray Stable Portfolio	30.0
Coronation Inflation Plus Portfolio	24.0
Nedgroup Investments Core Guarded Fund	19.8
Ninety One Cautious Managed Portfolio	24.2
Cash	2.0
Total	**100.0**

1. Performance is net of all fees and expenses.
2. Consumer Price Index, plus 3%, and was prorated from 18 January 2019 to 31 January 2019. This is based on the latest numbers published by Iress as at 28 February 2026.
3. Maximum percentage decline over any period. The maximum drawdown occurred from 20 February 2020 to 23 March 2020 and maximum benchmark drawdown occurred from 31 March 2020 to 31 May 2020. Drawdown is calculated on the total return of the Portfolio/benchmark (i.e. including income).
4. The percentage of calendar months in which the Portfolio produced a positive monthly return since inception.
5. The standard deviation of the Portfolio's monthly return. This is a measure of how much an investment's return varies from its average over time.

Performance net of all fees and expenses

Value of R10 invested at inception



% Returns	Portfolio[1]	Benchmark[2]
Cumulative:		
Since inception (18 January 2019)	94.0	69.3
Annualised:		
Since inception (18 January 2019)	9.6	7.6
Latest 5 years	10.1	7.8
Latest 3 years	11.4	6.7
Latest 2 years	11.7	5.8
Latest 1 year	12.1	6.0
Year-to-date (not annualised)	-0.4	1.7
Risk measures (since inception):		
Maximum drawdown[3]	-15.1	-0.7
Percentage positive months[4]	80.2	97.7
Annualised monthly volatility[5]	5.6	1.3

Quarterly commentary as at 31 March 2026

Global economic conditions remain uncertain, with growth projections revised downwards amid the prolonged conflict in the Middle East. While the year began on a positive footing, building on the momentum from last year, the FTSE/JSE All Share Index reversed course in March. As a result, returns for the quarter ended at -0.6%.

At its March meeting, the Monetary Policy Committee at the South African Reserve Bank (SARB) kept the repo rate unchanged at 6.75%. The SARB highlighted that the inflation outlook is expected to rise in the near term and remains highly sensitive to geopolitical developments in the Middle East. These tensions continue to impact oil supply and prices, leading to higher local fuel costs, which, in turn, exert upward pressure on food prices and transportation costs. Given these elevated inflation risks, the SARB is expected to maintain a restrictive stance on interest rates.

Despite increased short-term volatility driven by geopolitical escalation, the Portfolio continues to deliver absolute returns well above its benchmark over the longer term. For the quarter ended 31 March 2026, there were no significant changes to the allocation between local and foreign asset classes. Within the top 10 local equity holdings, Glencore and Sasol replaced Gold Fields and Discovery.

Please refer to the commentaries below from the underlying investment managers on their portfolio positioning and economic outlook.

Commentary contributed by Tonderai Makeke

Top 10 share holdings on 31 March 2026 (SA) (updated quarterly)

Investment name	% of Portfolio
Naspers and Prosus	1.3
Standard Bank	1.2
FirstRand	1.0
AB InBev	1.0
AngloGold Ashanti	1.0
British American Tobacco	0.9
Shoprite	0.9
Glencore	0.8
Richemont	0.7
Sasol	0.7
Total (%)	**9.5**

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

Asset allocation on 31 March 2026

Asset class	Total	South Africa	Foreign
Net equities	33.8	17.8	16.0
Hedged equities	6.1	2.7	3.4
Property	2.4	1.9	0.5
Commodity-linked	1.3	1.2	0.1
Bonds	38.7	32.9	5.8
Money market and cash[6]	17.2	14.9	2.2
Other[7]	0.5	0.5	0.0
Total (%)	**100.0**	**71.9**	**28.1**

6. Includes the impact of any currency hedging.
7. Hedge fund.

Total expense ratio (TER) and transaction costs for periods ending 31 December 2025 (updated quarterly)

1- and 3-year TER and transaction costs breakdown[8]	1yr %	3yr %
Total expense ratio[9]	**1.03**	**0.91**
Fee for benchmark performance	0.62	0.63
Performance fees	0.34	0.20
Other costs excluding transaction costs[10]	0.07	0.07
Transaction costs[11]	**0.04**	**0.04**
Total investment charge	**1.08**	**0.95**

8. This estimate is based on information provided by the underlying managers.
9. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TERs.
10. Includes expenses such as audit fees, bank charges, custody fees, trustee fees and, for some underlying portfolios, the associated offshore TERs.
11. Transaction costs are a necessary cost in administering the Portfolio and impacts Portfolio returns. It 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.

Commentary from underlying fund managers as at 31 March 2026

Allan Gray Stable Portfolio

The quarter began on an optimistic note, with both local and global markets extending last year's gains. That changed abruptly in March as the US-Israeli war with Iran escalated, and investors weighed the risk of a more persistent energy shock and lower global growth. On home soil, the South African Reserve Bank kept the repo rate unchanged at 6.75% in March. If oil prices remain above US$100 per barrel, absent lasting government relief, this would add at least 1% to South Africa's inflation rate – likely more after accounting for knock-on effects.

Locally and globally, there has been a clear shift in sentiment over the quarter. The FTSE/JSE All Share Index ended the quarter 0.6% down, having been up 11% at its intra-quarter high. Similarly, the FTSE/JSE All Bond Index fell 3.4% after trading materially stronger earlier in the period. Against this backdrop, it is encouraging that the Portfolio was able to preserve capital and deliver a positive absolute return in a quarter when other major asset classes declined.

The reversals in March are a reminder that markets can move quickly from pricing a benign combination of lower inflation and easier policy to pricing supply shocks and heightened geopolitical risk. For a portfolio with capital stability as a core objective, valuation and downside risk matter as much as upside participation. At quarter-end, the Portfolio remained positioned conservatively but with sufficient flexibility to take advantage of dislocations. Net equity exposure was at 29%, comfortably below the Portfolio's 40% maximum. The Portfolio has a meaningful allocation to hedged equities, which protect against declines in market prices. This was very beneficial during the March market correction. The Portfolio's fixed income positioning also remains conservative, with relatively low duration and a large holding of cash and near-cash instruments. Having liquidity readily available gives the Portfolio valuable flexibility to take advantage of opportunities that can arise during periods of heightened market volatility.

It is important to remember that 2025's local equity and bond returns were exceptionally strong. While we would not expect a repeat of these returns, there are still ample opportunities on offer in the local market. Outside of the precious metals sector, which drove market performance in 2025, many SA Inc. shares are, in fact, relatively depressed. South African bond yields rose during the quarter as investors reassessed the outlook for inflation, growth and domestic monetary policy. Higher bond yields improve prospective returns, but we continue to weigh this up against other opportunities and remain cautious about many of the structural challenges facing South Africa, such as the government's fiscal challenges and slow reforms at state-owned enterprises.

The rand touched levels below R16 to the US dollar during the quarter, its strongest level in nearly four years, as South Africa's trade account benefited from the windfall of last year's significant increase in gold and platinum prices. The level of the Portfolio's offshore exposure is primarily driven by where we see the most attractive opportunities, rather than taking a directional view on the rand. While we continue to see global markets as relatively expensive, the Portfolio's offshore holdings are meaningfully differentiated and, pleasingly, have performed well ahead of global indices during the quarter. The Portfolio's 35% offshore exposure is also an important source of diversification. As seen again this quarter, periods of global market stress often lead to a weakening of the rand. In such scenarios, the offshore allocation serves as a useful ballast, offsetting declines in local market prices. It is important to note that while heightened geopolitical uncertainty clouds the outlook for short-term returns, the Portfolio remains defensively positioned overall, aiming to both protect value and deliver returns ahead of cash in the medium term.

During the quarter, the Portfolio added to selected fixed rate South African government bonds as yields increased. On the equity side, we increased the Portfolio's exposure to retailers by adding to its existing position in Mr Price and initiating a new position in Truworths. We reduced the Portfolio's holdings in Sasol and the gold miners.

Ninety One Cautious Managed Portfolio

The first quarter of 2026 marked a shift in market conditions from the momentum-led backdrop that characterised much of 2025 to a more complex and less forgiving environment. While the year began with continued resilience in growth and further progress on disinflation, this gave way to rising macro tension as the quarter progressed.

Equity markets reflected this change in tone. Gains early in the quarter were reversed through March, with most major indices ending the period weaker despite pockets of underlying strength. Market leadership remained relatively concentrated, but conviction deteriorated as elevated expectations – particularly in areas linked to artificial intelligence and capital-intensive investment themes – came under greater scrutiny. The focus shifted from growth potential to sustainability and return on investment, contributing to periods of derating across parts of the market. At the same time, macro conditions became more challenging. The escalation of geopolitical tensions and a sharp rise in energy prices introduced a renewed inflation impulse, complicating the policy backdrop. Central banks, which had been expected to ease more decisively, instead remained cautious as higher energy costs fed into inflation expectations. This resulted in a repricing of rate expectations and increased volatility across both bond and equity markets.

In South Africa, the domestic backdrop remained broadly stable but was again overshadowed by global developments. Inflation continued to ease, supporting the policy outlook, while real yields remained elevated. However, local market outcomes were driven less by incremental domestic improvement and more by external factors. Resource-linked sectors benefited from the global energy and commodity shock, providing a meaningful portion of equity returns, while the rest of the market remained more muted in the absence of stronger domestic demand. Listed property continued its gradual recovery, but from a low base and with returns increasingly driven by income rather than by rerating. The Portfolio delivered a negative return over the quarter and underperformed its benchmark, reflecting a combination of weaker bond markets and negative equity performance. Cash, inflation-linked bonds and exposure to NewGold provided a partial offset.

South African government bonds detracted materially from performance. Strong carry early in the quarter reversed as global rate expectations shifted and risk aversion increased, with longer-dated nominal bonds most affected. In contrast, inflation-linked bonds and floating-rate instruments provided resilience, supported by elevated real yields, while cash contributed steadily and helped anchor overall returns. South African equities were broadly flat, with gains in financials and resources offset by weakness in more cyclical and consumer-exposed areas. Holdings such as Discovery and the Johannesburg Stock Exchange (JSE) contributed positively, alongside commodity exposure through BHP and gold. These were offset by weaker performance elsewhere as domestic demand remained subdued.

Offshore exposure detracted more meaningfully, driven primarily by global equity weakness rather than currency alone. Declines were broad-based, with particular pressure across technology and consumer-facing businesses. Holdings such as Tencent, Microsoft and Intuit were among the key detractors, reflecting valuation compression and increased scrutiny on earnings durability. This was partially offset by more defensive exposures, with companies such as Johnson & Johnson holding up well.

Overall, the quarter reflects a shift in market conditions, with both bonds and equities repricing as the backdrop became more uncertain. This adjustment has improved the forward-looking opportunity set. Yields are higher, valuations are more grounded, and markets are beginning to differentiate more clearly between durable, cash-generative businesses and those reliant on more optimistic assumptions. The Portfolio is not positioned for a particular outcome, but rather constructed to perform across a range of environments. It remains anchored by income, with selective equity exposure and improving valuation support across asset classes. In a less forgiving environment, this balance provides a more reliable foundation for compounding returns over time. Portfolio activity during the quarter remained measured but reflected a more dynamic environment, with a combination of trimming into strength, repositioning risk and selectively adding to opportunities as valuations improved. Changes were incremental and aligned with maintaining balance and flexibility as market conditions became more volatile.

Within fixed income, adjustments focused on managing duration and improving relative value across the curve. Exposure to certain bonds was reduced where yields were less compelling, with proceeds redeployed into more attractive parts of the curve, including increased exposure to longer-dated bonds such as the R2040. Inflation-linked bond exposure was also increased modestly at attractive real yields. At the same time, overall risk was managed through selective reductions in duration and an increase in cash, including the repatriation of offshore cash into local money market instruments. Within South African equities, trading activity reflected a balance of selective additions and profit-taking. Exposure to selected domestic financials, including FirstRand and Standard Bank, was increased, while profits were taken in the JSE. Positions in Shoprite, Bidcorp and Prosus were also increased as expected returns improved. These purchases were funded through trims in areas of strength and in more cyclical exposures. Selective resource exposure was introduced through Glencore and BHP, offering diversification and a partial hedge in a more uncertain macro environment, without materially changing the overall risk profile. Holdings such as Capitec were reduced where upside had become less compelling relative to the broader opportunity set.

Offshore equity exposure was adjusted at the margin, with reductions in larger positions such as ASML, Taiwan Semiconductor Manufacturing Company and Alphabet, following strong performance and some compression in forward returns. Capital was redeployed selectively into businesses where valuation support had improved, including additions to Intuit and Autodesk, as well as increased exposure to the London Stock Exchange Group. We also initiated a position in AIA, which has contributed positively, reflecting an attractive entry point into a high-quality franchise with a long-term growth runway.

Portfolio changes also included the full exit of ICON, where the path to becoming a dominant franchise has become more uncertain, reflecting both industry-wide pressures and idiosyncratic developments. These adjustments reflect a willingness to lean into periods of weakness in high-quality businesses while maintaining discipline around overall equity exposure. At an asset allocation level, changes resulted in a modest reduction in overall risk through a combination of lower duration exposure at points in the quarter, increased cash balances and a slight reduction in equity intensity. Gold exposure was actively managed, with some profit-taking following strong performance.

Changes during the quarter reflect an incremental improvement in portfolio quality and valuation support, rather than a shift in underlying investment approach. Overall, positioning remains deliberately balanced. The Portfolio is constructed to balance income generation, capital preservation, resilience and selective growth, with flexibility retained to adjust as market conditions evolve. In a market that is becoming more discriminating, this balance is increasingly important. Rather than relying on a single outcome, the focus remains on building a portfolio capable of compounding returns steadily through a range of conditions, with discipline and valuation awareness as the primary drivers of long-term outcomes.

Important information for investors

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.

Disclaimer

The Allan Gray Multi-Manager Cautious Portfolio is a pooled portfolio that is made available via the Allan Gray retirement funds and the Allan Gray Living Annuity. This pooled portfolio is underwritten by Allan Gray Life Limited, a registered insurer licensed to provide life insurance products as defined in the Insurance Act 18 of 2017. Allan Gray Proprietary Limited (the "Investment Manager"), an authorised financial services provider, is Allan Gray Life Limited's appointed investment manager.

FTSE/JSE indices

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

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.

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.

Bloomberg Index Services Limited

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

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**