

## Portfolio description and summary of investment policy

The Portfolio invests in the Balanced mandates of a minimum of three managers, all of which are managed to comply with the investment limits governing retirement funds. The Allan Gray Balanced 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 achieve steady long-term growth of capital for investors within the constraints governing retirement funds, while producing returns superior to the average return of similar funds without assuming any more risk. The Portfolio's benchmark is a composite benchmark, of which 60% is domestic and 40% is foreign.<sup>2</sup>

## 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 real returns through different market cycles.

## Suitable for those investors who

- Seek steady long-term capital growth
- Are comfortable with taking on some risk of market fluctuation and potential capital loss but typically less than that of an equity fund
- Wish to invest in a portfolio that complies with retirement fund investment limits
- Typically have an investment time horizon of at least three years
- Wish to diversify risk across multiple managers

## Annual management fee

Each underlying manager charges their own fee. Where performance fees are charged, this is based on the underlying manager's performance compared to its respective benchmark. The benchmark for each underlying manager 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).

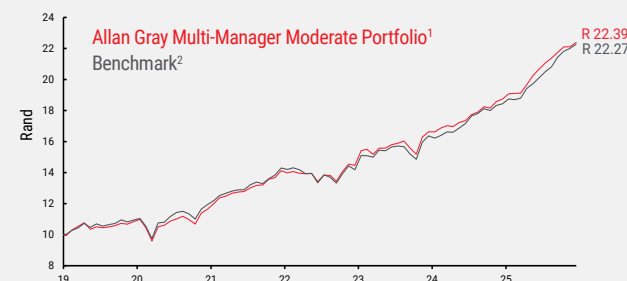
## Portfolio information on 31 December 2025

Portfolio size	R6.0bn
<b>Underlying portfolio allocation on 31 December 2025</b>	
Portfolio	% of Portfolio
Allan Gray Balanced Portfolio	29.5
Coronation Global Houseview Portfolio	25.5
M&G Balanced Portfolio	20.2
Ninety One Opportunity Portfolio	23.7
Cash	1.1
<b>Total</b>	<b>100.0</b>

- Performance is net of all fees and expenses.
- 41% FTSE/JSE Capped Shareholder Weighted All Share Index, 10% FTSE/JSE All Bond Index, 9% 3-month STeFI, 24% MSCI All Country World Index and 16% J.P. Morgan Global Government Bond Index, all including income. From inception to 31 July 2022 the benchmark was 47% FTSE/JSE Capped Shareholder Weighted All Share Index, 14% FTSE/JSE All Bond Index, 9% 3-month STeFI, 18% MSCI All Country World Index and 12% J.P. Morgan Global Government Bond Index, all including income. Source: IRESS BFA, Bloomberg.\*
- Maximum percentage decline over any period. The maximum drawdown occurred from 20 January 2020 to 23 March 2020 and maximum benchmark drawdown occurred from 17 February 2020 to 23 March 2020. Drawdown is calculated on the total return of the Portfolio/benchmark (i.e. including income).
- The percentage of calendar months in which the Portfolio produced a positive monthly return since inception.
- 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.

\* The blended returns are calculated by Allan Gray Proprietary Limited using end of day index level values licensed from MSCI ("MSCI Data"). For the avoidance of doubt, MSCI is not the benchmark "administrator" for, or a "contributor", "submitter" or "supervised contributor" to, the blended returns, and the MSCI Data is not considered a "contribution" or "submission" in relation to the blended returns, as those terms may be defined in any rules, laws, regulations, legislation or international standards. MSCI Data is provided "AS IS" without warranty or liability and no copying or distribution is permitted. MSCI does not make any representation regarding the advisability of any investment or strategy and does not sponsor, promote, issue, sell or otherwise recommend or endorse any investment or strategy, including any financial products or strategies based on, tracking or otherwise utilising any MSCI Data, models, analytics or other materials or information.

## Performance net of all fees and expenses



% Returns	Portfolio <sup>1</sup>	Benchmark <sup>2</sup>
<b>Cumulative:</b>		
Since inception (18 January 1919)	123.9	122.7
<b>Annualised:</b>		
Since inception (18 January 1919)	12.3	12.2
Latest 5 years	14.0	13.3
Latest 3 years	15.7	16.2
Latest 2 years	16.0	16.6
Latest 1 year	19.4	20.8
Year-to-date (not annualised)	19.4	20.8
<b>Risk measures (since inception):</b>		
Maximum drawdown <sup>3</sup>	-22.3	-23.0
Percentage positive months <sup>4</sup>	75.9	69.9
Annualised monthly volatility <sup>5</sup>	8.7	8.8

## Quarterly commentary as at 31 December 2025

Globally, 2025 exhibited surprising economic resilience despite the uncertainty resulting from ongoing tariff wars, conflicts and significant geopolitical shifts. Nevertheless, the potential escalation of these factors continues to pose downside risks to the global economy.

Against the backdrop of this uncertainty, the Portfolio managed to generate meaningful absolute returns, despite lagging its benchmark over the short to medium term. It continues to demonstrate the value of combining managers' complementary styles to deliver real returns over the long term and across different market cycles. The managers cited that domestic assets were significant contributors to portfolio returns over the past year and highlighted that, while global equity returns were strong, the strengthening of the rand significantly offset the hard currency gains.

To put things into context, the FTSE/JSE All Share Index (ALSI) returned 42% for the year ending 31 December 2025. The resources sector was a major contributor, returning 126%, while the financials and industrials sectors returned 27% and 18% respectively over the same period. On the global front, the MSCI All Country World Index returned 22% in US dollars, underperforming the ALSI in rand terms due to the significant rand appreciation against the dollar over the past year.

The composition of the top 10 local equities remained unchanged in the final quarter of the year relative to the end of Q3. From an asset allocation position, there were minor shifts across local and foreign asset classes with notable gains in local equities.

The commentaries below from two of the underlying investment managers provide a more detailed view of what transpired over the past year.

Commentary contributed by Tonderai Makeke

## Top 10 share holdings on 31 December 2025 (SA) (updated quarterly)

Company	% of Portfolio
Naspers and Prosus	4.7
Standard Bank	2.2
AngloGold Ashanti	1.9
British American Tobacco	1.5
AB InBev	1.5
Richemont	1.5
Gold Fields	1.4
Glencore	1.2
Capitec	1.2
Remgro	1.1
<b>Total (%)</b>	<b>18.1</b>

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

## Asset allocation on 31 December 2025

Asset class	Total	South Africa	Foreign
Net equities	65.4	35.9	29.5
Hedged equities	4.1	1.0	3.0
Property	3.5	2.6	0.9
Commodity-linked	2.2	2.2	0.0
Bonds	16.8	13.2	3.6
Money market and cash <sup>6</sup>	7.6	6.6	1.1
Other <sup>7</sup>	0.5	0.5	0.0
<b>Total (%)</b>	<b>100.0</b>	<b>62.0</b>	<b>38.0</b>

6. Includes the impact of any currency hedging.

7. Hedge fund.

## Total expense ratio (TER) and transaction costs for periods ending 30 September 2025 (updated quarterly)

1- and 3-year TER and transaction costs breakdown <sup>8</sup>	1yr %	3yr %
<b>Total expense ratio<sup>9</sup></b>	<b>1.14</b>	<b>1.00</b>
Fee for benchmark performance	0.65	0.65
Performance fees	0.36	0.21
Other costs excluding transaction costs <sup>10</sup>	0.13	0.14
<b>Transaction costs<sup>11</sup></b>	<b>0.10</b>	<b>0.09</b>
<b>Total investment charge</b>	<b>1.24</b>	<b>1.09</b>

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.

## Allan Gray Balanced Portfolio

The Portfolio delivered a strong absolute return of 21.3% in 2025, which was slightly ahead of its benchmark. Over the last three years, the Portfolio has achieved an annualised return of 15.1% compared to an inflation rate of 4%. Some investors may prefer to think in hard currency. With the rand relatively strong, US dollar returns have been very healthy at 38% over one year and 17% per annum over three years. These results were supported by robust returns from both local and global markets. It is important to remember that such outcomes are well ahead of long-term averages, so a degree of caution and moderation of expectations is warranted.

A key feature of the local market's strength in 2025 was its narrowness. Index performance was driven by a handful of shares rather than broad-based gains. Gold and platinum mining companies were notable winners, benefiting from exceptionally strong precious metal prices. This strength is at least partly the result of speculative buying, which could reverse. A striking development is that these mining shares now account for roughly a quarter of the FTSE/JSE All Share Index, so further gains or a reversal in these shares would have an outsized impact. However, the market's narrow performance is a source of some concern. Our approach has been to take profits in some areas that have done exceptionally well. At the end of the year, the weight of South African gold and platinum mining shares was 14% of South African equities, or 6% of the Portfolio as a whole. In our view, this provides sizeable exposure to further upside but limits downside risk. Another aspect of this narrow performance is that, despite the index being near record highs, many local shares have performed poorly. With valuations in several areas of the market now well below their historical averages, this is where we are finding more opportunities.

Alongside the bull market in precious metals, the other important story in South African financial markets in 2025 was the exceptional strength of the local bond market. Compared to two years ago, the contrast is stark: At that time, both local and foreign investors were decidedly sceptical about South African bonds as the country faced the uncertainty of looming national elections, weak economic growth and severe loadshedding. Since the May 2024 elections, South Africa has been among the top-performing bond markets globally, with the FTSE/JSE All Bond Index returning 44% over this period. South African bonds have rerated significantly versus our emerging market peers, such as Brazil. We think that the balance of risk in the bond market is now to the downside, and therefore, we prefer an allocation to local shares over local bonds.

Global markets also ended 2025 on a strong note, and the Portfolio's offshore holdings contributed positively to relative performance. While global equity markets as a whole appear expensive, this masks a wide dispersion: A number of businesses we own still trade at levels we regard as attractive. As a result, the Portfolio's global equity holdings bear little resemblance to the broad market – a deliberate choice that may allow us to deliver better long-term outcomes than the index but with a different pattern of risk along the way. Elevated starting valuations in major markets, however, limit the scope for high returns in the future. In our view, global bonds do not yet offer compelling compensation for the risks, particularly given the possibility that inflation may prove to be more persistent than markets currently expect.

During the quarter, we added to the Portfolio's positions in AB InBev and Naspers, and trimmed positions in Prosus and the platinum-linked exchange-traded fund (ETF).

## Coronation Global Houseview Portfolio

The Portfolio returned a pleasing 21.3% for the year (2.2% in Q4). The Portfolio benefited from its high allocation to equities (both global and local), which delivered strong returns over the past

12 months. A low gold weighting in the Portfolio's South African equity basket impacted relative performance over the year. The Portfolio has performed well over meaningful periods, both in absolute terms and relative to the benchmark.

The Portfolio has maintained a holding in offshore credit bonds, which offer good diversification across sector and geography, whilst delivering an attractive US dollar yield. This is a compelling alternative to the concentrated sovereign and economic risks inherent in South African government bonds, as well as the narrower credit spreads in our domestic market.

Given the breadth of opportunities in global equity and global credit, we continue to make full use of the Portfolio's offshore capacity.

Our basket of JSE-listed shares has sizeable exposure to many of the global stocks listed locally, as well as to winning domestic businesses. The global shares are expected to deliver strong earnings for a variety of reasons (e.g. growing franchises, cyclical recovery, etc.) and trade with attractive upside. Holdings include Naspers, Quilter, Richemont, Bidcorp and Aspen, among others.

The Portfolio has held an underweight position in the resources sector for some time. A meaningful part of this is in the gold shares, which comprise 17% of the index on a look-through basis. We are concerned about the capital losses that shareholders in gold miners could incur if some of the sector's froth dissipates. The locally listed gold miners are high-cost producers (in the third and fourth quartiles), whose prospects are highly leveraged to gold price moves. They have benefited materially from the metal's rapid price rise. At current prices, both gold and the gold shares trade above our assessment of long-term fair value. The Portfolio built a position in the platinum group metal (PGM) miners in the second half of 2024. The investment was premised on tighter supply-demand fundamentals. The PGM basket rose dramatically during 2025 (+63%) due to underinvestment in mines, muted scrap supply and slowing electric vehicle adoption outside China. As share prices have risen, we have trimmed holdings. Whilst Anglo American was buoyed by restructuring and merger and acquisition activity during the year, other diversified miners were weaker. During the year, the Portfolio increased its holding in Glencore, which trades on attractive multiples. Talks of a potential merger with Rio Tinto post year end highlight the inherent value in Glencore's strategy, particularly its attractive copper assets.

The Portfolio's meaningful exposure to SA property contributed to returns during the year. Despite the appreciation, this select basket of equities still offers attractive total returns (aided by high dividend yields) and diversification away from domestic sovereign bonds. Lower funding costs are a tailwind to future earnings.

The Portfolio is focused on generating compelling long-term risk-adjusted returns. Despite the strong global equity markets in 2025, the Portfolio has maintained a high equity allocation given exciting stockpicking opportunities. Our basket of global and domestic equities has attractive upside. Uncertainty remains heightened. Whilst this may cause near-term market fluctuations, the basket should deliver good medium-term returns. The Portfolio has maintained meaningful offshore exposure. In addition to the return prospects, this provides valuable diversification away from a single sovereign and weak domestic economy.

The high offshore exposure, combined with a high equity allocation, should serve the Portfolio well to deliver on its long-term return expectations.

## Commentary from underlying fund managers as at 31 December 2025

© 2026 Allan Gray Proprietary Limited

All rights reserved. The information and content 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.

## Disclaimer

The Allan Gray Multi-Manager Moderate 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.

## J.P. Morgan Global Government Bond Index

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 2026, J.P. Morgan Chase & Co. All rights 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/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.

## 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.

## 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**