Allan Gray Life-Orbis Global Balanced (RRF) Feeder Portfolio

Inception date: 1 August 2015

31 December 2025

Portfolio objective and benchmark

The Portfolio aims to balance capital appreciation, income generation and risk of loss in a diversified global multi asset class portfolio. The benchmark is a composite consisting of 60% of the MSCI World Index (net dividends reinvested) and 40% of the J.P. Morgan Global Government Bond Index.

Product profile

- This is a feeder portfolio, investing in the Orbis SICAV Global Balanced Fund which is actively managed by Orbis.

Investment specifics

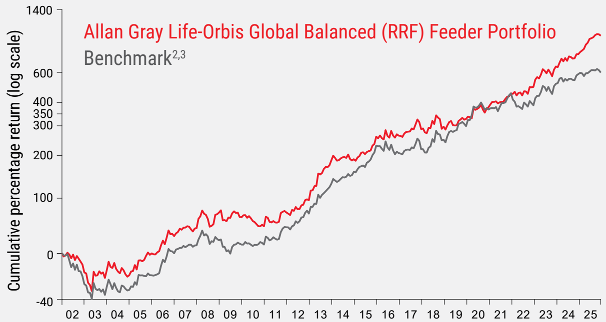
- This portfolio is available as a linked policy issued by Allan Gray Life Limited available only to retirement funds.
- Minimum investment: R20m.
- The Base Refundable Reserve Fee is levied in the underlying Orbis SICAV Global Balanced Fund.

MSCI data

*The blended returns are calculated by Orbis Investment Management Ltd 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 fees[1]

Cumulative performance since inception



% Returns[1,4]	Portfolio		Benchmark[2,3]	
	ZAR	US$	ZAR	US$
Since inception	10.3	8.7	8.5	6.9
Latest 10 years	11.5	10.8	8.2	7.5
Latest 5 years	16.7	13.8	8.3	5.7
Latest 3 years	20.2	21.1	12.5	13.3
Latest 2 years	18.0	24.7	6.2	12.2
Latest 1 year	22.0	38.3	1.6	15.2
Latest 3 months	-0.7	3.3	-2.2	1.7

Asset allocation on 31 December 2025

This portfolio invests solely into the Orbis SICAV Global Balanced Fund

Asset class	Total	United States	UK	Europe ex-UK[5]	Japan	Other[5]	Emerging markets
Net equities	57.8	16.0	11.3	5.8	2.7	5.7	16.4
Hedged equities	17.8	10.4	0.7	4.4	0.4	0.5	1.4
Property	1.3	0.0	0.0	0.0	1.0	0.0	0.4
Commodity-linked	3.1	3.1	0.0	0.0	0.0	0.0	0.0
Bonds	17.1	10.8	0.5	0.8	0.0	0.0	5.0
Money market and cash	2.9	2.1	0.1	0.5	0.0	0.1	0.2
Total	**100.0**	**42.3**	**12.6**	**11.5**	**4.1**	**6.2**	**23.3**
Currency exposure	100.0	28.3	11.8	23.8	9.7	11.9	14.6
Benchmark	100.0	63.7	4.8	17.3	9.1	5.1	0.0

Portfolio information on 31 December 2025

Assets under management	R1 141m

1. The returns prior to 1 August 2015 are those of the Allan Gray Life Foreign Portfolio since its inception on 23 January 2002. This portfolio invested in a mix of Orbis funds. The Investor Class Fee was levied in the underlying Orbis funds.
2. 60% of the MSCI World Index (net dividends reinvested) and 40% of the J.P. Morgan Global Government Bond Index*.
3. The benchmark prior to 1 August 2015 was that of the Allan Gray Life Foreign Portfolio which is 60% of the MSCI All Country World Index and 40% of the J.P. Morgan Global Government Bond Index*.
4. Investment returns are annualised (unless stated otherwise), except for periods less than one year. Performance as calculated by Allan Gray as at 31 December 2025.
5. Refers to developed markets only.

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

Top 10 holdings on 31 December 2025 (updated quarterly)

Company	% of portfolio
Samsung Electronics	4.9
US TIPS >10 Years	4.6
Taiwan Semiconductor Mfg	3.6
Kinder Morgan	3.2
Barrick Mining	3.2
SPDR® Gold Trust	3.1
Newmont	2.9
Balfour Beatty	2.1
Prysmian Group	2.0
Genmab	2.0
Total (%)	**31.6**

Issued: 15 January 2026

Fund manager quarterly commentary as at 31 December 2025

2025 was a pleasing year for the Orbis SICAV Global Balanced Portfolio, which delivered strong absolute returns and again outpaced its benchmark and peers. As a team, we take pride in this performance. But good results are also a source of consternation for us, because we know a time will come when we look stupid. Indeed, many of our biggest winners in 2025 were once painful detractors. That is the nature of our work. We never know what path returns will take, only that they don't come in a straight line. Stock markets illustrated that well last year. From mid-February to early April, world stock markets fell by more than 15%. Since then, they have roared ahead to new record highs.

What didn't drive performance

With that backdrop in mind, note that we did not outperform this year by taking more stock market risk. Net of hedging, the Portfolio's average stock market exposure was 58% - less than a passive 60/40 mix of stocks and bonds, and much less than some of our peers. Broadly, our preference for value shares and mid-cap companies was also a headwind.

Security selection also provided its share of humility, as only half of our stock selections outperformed. Several of our highest-conviction holdings lagged, including Burford Capital, Kinder Morgan, Cinemark, RXO and Anta Sports. Our largest bond position, in long-term US Treasury Inflation Protected Securities, suffered in April and has barely recovered since.

What did drive performance

While only half our stock selections outperformed, we put more capital behind our winners in 2025, and some of those winners were substantial. Defence contractors continued to perform well as the reality sets in that Europe must defend itself. Energy infrastructure providers outperformed as investors came to appreciate the demand growth from ageing grids and power-hungry data centres. Semiconductor manufacturers rose strongly, as the worst memory downcycle since the global financial crisis gave way to an extreme – and extremely profitable – supply crunch.

More broadly, in 2025, non-US stocks and currencies outpaced the mighty S&P500 and US dollar for the first time in years – a tailwind for relative results given our low exposure to US assets. Favouring gold and increasingly gold miners over government bonds contributed to performance as markets echoed our concerns about governments' disregard for fiscal discipline.

What we did about it

As contrarian investors, when the Portfolio looks greatly discounted, we're probably frustrated about performance, which is often the culprit for the discounts. When performance looks great, we worry about the Portfolio, fearful that attractive discounts have narrowed.

Fortunately, the latter problem has a straightforward solution: Rotate the Portfolio. In 2025, turnover was much higher than normal, as we rotated capital from appreciated winners into neglected ideas trading at what we viewed as deeper discounts.

On the other side of that rotation, we added to three areas: healthcare, high-conviction detractors and artificial intelligence (AI) consumables.

Our global analyst teams have unearthed compelling ideas in healthcare; spanning biotech drug developers, clinical testing businesses and equipment companies. Many of these were growth darlings just three years ago, but sentiment has soured post the COVID-19 pandemic, knocking valuations down to attractive levels. Having bought up these businesses over the last six months, healthcare now represents 10% of the Portfolio.

We have also added to many of our laggards, including all five of the equity detractors mentioned earlier. Where our assessment of the company's worth remains high, we are happy to build larger positions at lower prices.

Finally, we have added to what we call "AI consumables". AI spending continued to rise in 2025, as big tech companies vied for dominance in the war for AI supremacy. While our analysts believe that Alphabet's AI advantages over Meta and OpenAI are underappreciated, within a moderate risk Portfolio, we believe that we can find names that sidestep that clash of titans altogether.

This thinking isn't new. We've long believed that our AI infrastructure companies could benefit from the rising capital and competitive intensity of the tech giants, and we still do. However, looking forward, as valuations for critical energy infrastructure names increase, we have incrementally moved towards the manufacturers of AI consumables.

Counterintuitively, our consumables include computer chips, which are generally considered long-lived assets. But the bleeding-edge chips populating data centres are not forever assets. Most companies buying them pencil in depreciation over five or six years. But this obscures the economic cost of inefficiency. As the latest chips are more power-efficient than their forebears, running a data centre with old chips will incur higher power costs, so for some uses, only the best will suffice. With Nvidia designing new AI chips on an annual cadence, sales for Taiwan Semiconductor Manufacturing Company (TSMC), which makes all of them, should be very healthy. So should sales for memory makers like Samsung.

Our other consumables are more obvious. Data centres have a voracious appetite for energy, and they need it 24/7. This is now reflected in the valuations of infrastructure providers and nuclear operators but not in the valuations of natural gas producers and transporters. As accessing grids becomes tougher, we expect that the tech giants will change their approach. Why go through the hassle of bringing energy hundreds of miles to a data centre when you can bring the data centre to the energy?

Marcellus Shale gas producers in Pennsylvania could benefit, as companies consider building data centres and gas turbines near gas fields. They've struggled since the 2010s, when shale oil drilling flooded the market with cheap byproduct gas. With oil prices down, drilling has slowed, tightening gas supply just as data centre demand rises – an attractive setup.

Through dogged research and opportunistic price-taking, we seek an elusive balance of being happy about performance and the Portfolio at the same time.

In the last quarter, we re-established a position in Alphabet, trimmed Nebius Group into share price strength and exited PDD Holdings to reallocate capital to higher conviction ideas.

Commentary contributed by Alec Cutler, Orbis Investment Management Limited, Bermuda

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MSCI Index

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