ALLANGRAY

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Inception date: 13 March 2015

Allan Gray SA Equity Fund

31 October 2026

Fund description and summary of investment policy

The Fund invests in shares listed on the Johannesburg Stock Exchange (JSE). The Fund is typically fully invested in shares. Returns are likely to be volatile, especially over short- and medium-term periods.

ASISA unit trust category: South African – Equity – SA General

Fund objective and benchmark

The Fund aims to create long-term wealth for investors. It aims to outperform the South African equity market over the long term, without taking on greater risk. To pursue its objective the Fund's portfolio may differ materially from its benchmark. This will result in the Fund underperforming its benchmark materially at times. The Fund aims to compensate for these periods of underperformance by delivering outperformance over the long term. The Fund's benchmark is the FTSE/JSE All Share Index including income.

How we aim to achieve the Fund's objective

We seek to buy shares offering the best relative value while maintaining a diversified portfolio. We thoroughly research companies to assess their intrinsic value from a long-term perspective. This long-term perspective enables us 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. We invest in a selection of shares across all sectors of the JSE, and across the range of large, mid and smaller cap shares.

Suitable for those investors who

- Seek exposure to JSE-listed equities to provide long-term capital growth
- Are comfortable with stock market fluctuation, i.e. short- to medium-term volatility
- Are prepared to accept the risk of capital loss
- Typically have an investment horizon of more than five years
- Wish to use the Fund as an equity 'building block' in a diversified multi asset class portfolio

Meeting the Fund objective

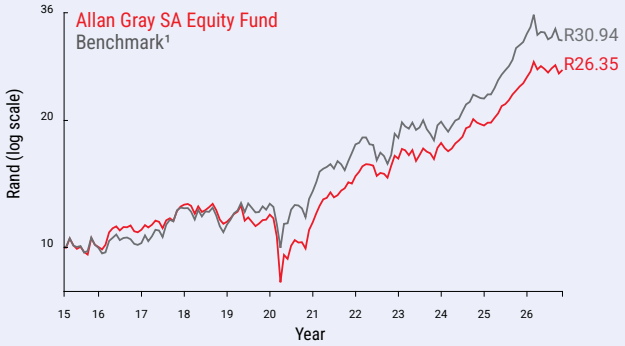
The Fund aims to outperform the South African equity market over the long term, without taking on greater risk. The Fund experiences periods of underperformance in pursuit of this objective. Since inception and over the latest 10- and five-year periods, the Fund has underperformed its benchmark.

Fund information on 31 October 2026

Fund size	R5.5bn
Number of units	1 230 702
Price (net asset value per unit)	R608.21
Class	A

Performance net of all fees and expenses

Value of R10 invested at inception with all distributions reinvested



% Returns	Fund	Benchmark[1]	CPI inflation[2]
Cumulative:			
Since inception (13 March 2015)	163.5	209.4	74.4
Annualised:			
Since inception (13 March 2015)	8.7	10.2	4.9
Latest 10 years	9.2	11.7	4.7
Latest 5 years	13.0	14.1	4.9
Latest 3 years	17.6	19.9	3.9
Latest 2 years	15.4	16.5	4.0
Latest 1 year	9.4	2.5	4.5
Year-to-date (not annualised)	4.1	-3.6	4.5
Risk measures (since inception)			
Maximum drawdown[3]	-44.3	-35.2	n/a
Percentage positive months[4]	61.4	58.6	n/a
Annualised monthly volatility[5]	13.6	14.3	n/a
Highest annual return[6]	57.3	54.5	n/a
Lowest annual return[6]	-32.0	-18.4	n/a

1. FTSE/JSE All Share Index including income (source: Iress), performance as calculated by Allan Gray as at 31 October 2026.
2. This data reflects the latest available headline CPI inflation numbers as at 30 September 2026 (source: Iress).
3. Maximum percentage decline over any period. The maximum drawdown for the Fund occurred from 25 January 2018 to 23 March 2020 and maximum benchmark drawdown occurred from 17 January 2020 to 19 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. These are the highest or lowest consecutive 12-month returns since inception of the Fund. 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 return occurred during the 12 months ended 31 March 2021 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 our Client Service Centre on request.

Fund history

The Allan Gray Equity Fund was managed in exactly the same way as this Fund from the inception of the Allan Gray Equity Fund on 1 October 1998, until March 2015, when the Allan Gray Equity Fund changed its mandate to include the ability to invest offshore. A combined history of the two funds since inception of the Allan Gray Equity Fund is available on the Allan Gray website.

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 biannually.	31 Dec 2025	30 Jun 2026
Cents per unit	**1197.7599**	**692.0407**

Annual management fee

Allan Gray charges a fee based on the net asset value of the Fund. The fee rate is calculated daily by comparing the Fund's total performance for the day to that of the benchmark.

Fee for performance equal to the Fund's benchmark: 1.00% p.a. excl. VAT

For each annualised percentage point above or below the benchmark we add or deduct 0.20%. The maximum fee is uncapped and if the fee would have been negative, 0.00% will be charged for the day and the negative fee will be carried forward to reduce the next day's fee (and all subsequent days until the underperformance is recovered).

This means that Allan Gray shares in 20% of annualised performance relative to the benchmark.

We are making changes to our fees

On 1 February 2027, we will be making changes to some of our fees. Learn more about how these changes may affect your investment.

Total expense ratio (TER) and transaction costs

The annual management fee 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.

Top 10 share holdings on 30 September 2026 (updated quarterly)

Company	% of portfolio
Naspers & Prosus	7.4
AB InBev	7.4
Glencore	5.4
Standard Bank	5.2
AngloGold Ashanti	4.8
British American Tobacco	4.6
Nedbank	4.4
Remgro	3.7
FirstRand	3.2
Sasol	3.0
Total (%)	**49.2**

Sector allocation on 30 September 2026 (updated quarterly)

Sector	% of equities[7]	% of ALSI[8]
Financials	26.3	29.5
Basic materials	22.3	32.5
Consumer staples	22.2	8.9
Consumer discretionary	10.4	5.3
Technology	7.7	9.3
Industrials	4.5	2.2
Energy	2.8	0.7
Healthcare	2.3	1.2
Real estate	0.8	5.0
Telecommunications	0.7	5.4
Total (%)	**100.0**	**100.0**

7. Includes listed property.
8. FTSE/JSE All Share Index.

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	**0.76**	**0.60**
Fee for benchmark performance	1.15	1.15
Performance fees	-0.40	-0.56
Other costs excluding transaction costs	0.01	0.01
Transaction costs	**0.07**	**0.10**
Total investment charge	**0.82**	**0.70**

Note: All TER components and transaction costs include VAT.

Asset allocation on 31 October 2026

Asset class	Total
Net equities	96.6
Property	0.8
Money market and cash	2.6
Total (%)	**100.0**

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

Fund manager quarterly commentary as at 30 September 2026

The Fund returned -0.5% for the quarter, slightly behind the benchmark's return of -0.3%. Year to date, relative performance remains strong, with the Fund returning 2.1% versus the benchmark's return of -3.2%.

Our portfolios continue to be built from the bottom up, with valuation and a margin of safety driving decisions rather than compelling market narratives. This patient approach tends to be rewarded when market returns are muted or negative, and we are pleased to see that pattern persist in the current environment.

While the overall year-to-date performance of the local equity market has been weak, the performance of individual shares has diverged significantly.

Within commodity-related equities, broadly speaking, one did not want to own precious metal miners and wanted to own almost everything else. Following weaker precious metal prices, the share prices of most major gold and platinum group metal (PGM) miners are down year to date, many by double digits, with the exception of AngloGold, which is up 7%. In contrast, on the back of a strong copper price, Anglo American, BHP and Glencore are all up around 30% year to date. At the top end of the market, fuelled by significantly higher oil prices, Sasol is up over 100%. The Fund has benefited from being underweight precious metal miners, although it does hold AngloGold and is overweight Glencore, Sasol and BHP. More recently, we have trimmed some of these positions into strength, although we continue to hold large positions in several diversified miners.

At the other end of the spectrum, two of the worst-performing shares year to date are Naspers and Prosus. They are effectively the same company, with Chinese technology group Tencent as their primary asset. Despite reporting strong full-year earnings, the share prices of Naspers and Prosus are both down over 30%, as investors have become sceptical of Tencent's artificial intelligence (AI) spending and the long-term risks AI poses to its business model. We have been adding to Naspers and Prosus as the shares have continued to derate, while managing the overall position size for idiosyncratic risk.

An economy under strain has kept pressure on consumers and, by extension, the retailers most exposed to them. That pressure is visible in how South Africans are shopping, not only in how much they are spending. Grocery volumes have held up reasonably well, but the composition of spending has shifted sharply towards value. Retailers such as Shoprite and Boxer have been the clear winners, while Pick n Pay's core business and Spar have lost ground, squeezed by both market pressures and internal execution challenges. Independent and informal retailers, such as spaza shops, traders and independent wholesalers, have also continued to take market share, having benefited from questionable cost structures and from not facing the same regulatory and compliance burden as listed retailers. The relative performance of the winners versus the losers is reflected in their share prices: Shoprite and Boxer are both up over 10% year to date, while Pick n Pay is down more than 20% and Spar more than 50%.

None of the listed clothing retailers have seen their share prices rise this year, although the spread between them remains extreme. The "best" performer has been Mr Price, down 7% year to date, while Foschini has fallen a staggering 43%. Pepkor and Truworths sit somewhere in between.

Pharmacy retailers are also down, but arguably for a different reason. Former market darling Clicks is down 38% year to date and close to 50% from its peak in December 2024. The company has yet to report results to the end of August 2026, but based on its half-year results to February 2026, turnover was still growing and headline earnings per share had risen by 8.1%. Yet the share fell more than 8% on the day the company announced its results, with the market unimpressed by full-year earnings guidance. There are some growing concerns around renewed competition from Dis-Chem and Shoprite, and some market missteps, but, in our view, this is less a story of a broken business than of a business being derated from an unusually rich multiple. Clicks traded at more than 30 times earnings for a long period, a rating that only holds up if growth stays exceptional. Now trading at closer to 15 times earnings with a return on equity still comfortably above 30%, the stock screens far more interesting to us than it did 12 months ago. We would rather own a good retailer after the market has taken the froth out of the price than pay up for the same business when everyone agrees it is wonderful.

Recently, we have been buying Clicks and several other retailers, as the market has priced them as if the current squeeze on consumers is permanent rather than cyclical. With the benefit of hindsight, we bought some of these shares, notably Spar, too soon, which has detracted from performance.

One final point is worth stressing. Much of this commentary refers to the Fund being overweight or underweight. This is meant to highlight where we differ from the market, not to describe how we construct the portfolio, which is built from the bottom up and remains benchmark-agnostic. Precious metal miners provide an apt example. At quarter-end, gold and PGM shares made up 10% of the Fund's equity exposure. We think these counters are attractive and deserve a place in the portfolio, but we cap our overall exposure, as performance would otherwise be driven disproportionately by movements in gold and PGM prices – factors outside management's control. In contrast, precious metal miners accounted for 24% of the FTSE/JSE All Share Index at quarter-end. The index will do very well if gold and PGM prices rally, but this leaves passive investors disproportionately exposed to single-factor risk.

The market remains volatile and, in many instances, the gap between our estimate of intrinsic value and market prices continues to widen. Experience suggests that this gap eventually closes, but rarely on a timetable convenient to anyone. Our task is simply to continue buying quality businesses at a discount to what we believe they are worth and to let time do the rest.

During the quarter, the Fund added to its existing positions in Clicks and Prosus and reduced its holdings in BHP and Glencore.

Commentary contributed by Rory Kutisker-Jacobson

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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) 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) are shown separately. All TER components and transaction costs include VAT, where applicable. 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).

FTSE/JSE indices

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