

Fund description and summary of investment policy

The Fund is managed in broadly the same way as the Allan Gray Balanced Fund. It was created specifically for use in tax-free accounts and can only be accessed through these products. The Fund invests in a mix of shares, bonds, property, commodities and cash. The Fund can invest a maximum of 45% offshore. The Fund typically invests the bulk of its foreign allowance in a mix of funds managed by Orbis Investment Management Limited, our offshore investment partner. The maximum net equity exposure of the Fund is 75% and we may use exchange-traded derivative contracts on stock market indices to reduce net equity exposure from time to time. The Fund is managed to comply with the investment limits governing retirement funds. Returns are likely to be less volatile than those of an equity-only fund.

ASISA unit trust category: South African – Multi Asset – High Equity

Fund objective and benchmark

The Fund aims to create long-term wealth for investors within the constraints governing retirement funds. It aims to outperform the average return of similar funds without assuming any more risk. The Fund's benchmark is the market value-weighted average return of funds in the South African – Multi Asset – High Equity category (excluding Allan Gray funds).

How we aim to achieve the Fund's objective

We seek to buy shares at a discount to their intrinsic value. 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. If the stock market offers few attractive shares we may increase the Fund's weighting to alternative assets such as bonds, property, commodities and cash, or we may partially hedge the Fund's stock market exposure. By varying the Fund's exposure to these different asset classes over time, we seek to enhance the Fund's long-term returns and to manage its risk. The Fund's bond and money market investments are actively managed.

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 tax-free investment account
- Typically have an investment horizon of at least three years

Maximum investment amounts

Maximum lump sum per investor account	R46 000
Lifetime maximum	R500 000
Maximum debit order*	R 3 833.33

*Only available to investors with a South African bank account.

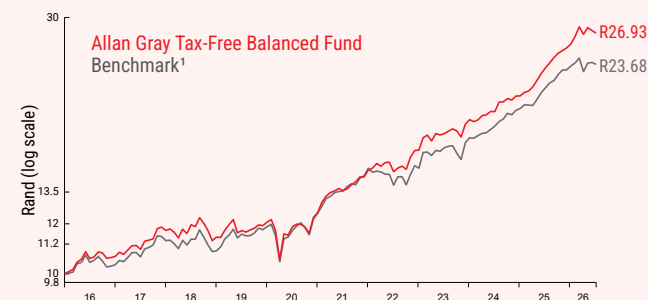
Fund information on 30 June 2026

Fund size	R5.7bn
Number of units	234 666 497
Price (net asset value per unit)	R21.29
Class	A

1. The market value-weighted average return of funds in the South African – Multi Asset – High Equity category (excluding Allan Gray funds). Source: Morningstar, performance as calculated by Allan Gray as at 30 June 2026.
2. This data reflects the latest available headline CPI inflation numbers as at 31 May 2026 (source: Iress).
3. Maximum percentage decline over any period. The maximum drawdown occurred from 20 January 2020 to 23 March 2020 and maximum benchmark drawdown occurred from 20 January 2020 to 23 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. 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 31 March 2021. 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.

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 (1 February 2016)	169.3	136.8	62.9
Annualised:			
Since inception (1 February 2016)	10.0	8.6	4.8
Latest 10 years	9.7	8.5	4.7
Latest 5 years	13.8	11.0	5.1
Latest 3 years	14.8	12.1	4.2
Latest 2 years	17.5	13.5	3.7
Latest 1 year	15.3	10.1	4.5
Year-to-date (not annualised)	4.6	0.7	3.2
Risk measures (since inception)			
Maximum drawdown ³	-24.6	-23.3	n/a
Percentage positive months ⁴	69.6	68.0	n/a
Annualised monthly volatility ⁵	8.8	8.7	n/a
Highest annual return ⁶	31.7	30.7	n/a
Lowest annual return ⁶	-13.4	-10.3	n/a

Fund history

This Fund is managed in broadly the same way as the Allan Gray Balanced Fund. It was created specifically for use in tax-free accounts. Refer to the Allan Gray Balanced Fund factsheet for a history of the Allan Gray Balanced Fund since its inception on 1 October 1999.

Meeting the Fund objective

The Fund aims to create long-term wealth for investors within the constraints governing retirement funds. It aims to outperform the average return of similar funds without assuming any more 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 outperformed its benchmark.

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	20.9421	17.9001

Annual management fee

A fixed fee of 1.25% p.a. excl. VAT.

Allan Gray charges this fee based on the net asset value of the Fund excluding the portion invested in Orbis funds. Orbis charges fixed fees within the Orbis funds that the Fund invests in. Orbis pays a marketing and distribution fee to Allan Gray.

Total expense ratio (TER) and transaction costs

The annual management fees charged by both Allan Gray and Orbis are 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 June 2026 (SA and Foreign) (updated quarterly)⁷

Company	% of portfolio
AB InBev	4.3
Naspers & Prosus	3.1
Glencore	2.8
British American Tobacco	2.5
Standard Bank	2.3
AngloGold Ashanti	2.3
Nedbank	1.9
Remgro	1.7
The Walt Disney Company	1.4
Woolworths	1.4
Total (%)	23.8

7. Underlying holdings of foreign funds are included on a look-through basis.

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

1- and 3-year TER and transaction costs breakdown	1yr %	3yr %
Total expense ratio	1.50	1.49
Fee for benchmark performance	1.32	1.31
Other costs excluding transaction costs	0.05	0.04
VAT	0.14	0.14
Transaction costs (including VAT)	0.09	0.07
Total investment charge	1.59	1.57

Asset allocation on 30 June 2026⁷

Asset class	Total	South Africa	Foreign
Net equities	66.4	38.2	28.2
Hedged equities	7.9	1.9	6.0
Property	0.9	0.1	0.9
Commodity-linked	2.1	1.8	0.3
Bonds	16.5	11.3	5.3
Money market and cash ⁸	6.1	4.3	1.8
Total (%)	100.0	57.5	42.5⁹

8. Includes the impact of any currency hedging.

9. The Fund can invest a maximum of 45% offshore. Market movements may periodically cause the Fund to move beyond these limits. This must be corrected within 12 months.

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

Since inception, the Fund's month-end net equity exposure has varied as follows:

Minimum	57.5% (February 2016)
Average	64.4%
Maximum	72.5% (May 2021)

The Fund has returned 4.6% year to date, outperforming its benchmark by 3.9%. On a long-term basis, the absolute level of recent real returns is above what we would expect to deliver through the cycle. Long may it last.

Locally, the FTSE/JSE All Share Index (ALSI) is down 14% from its late February peak, amid a seemingly never-ending stream of geopolitical headlines that have manifested in increased price volatility, particularly among gold and platinum shares. What may be noteworthy for tenured investors is how precious metal shares have recently behaved more like risk-on assets. This runs counter to the notion that gold serves as a hedge against geopolitical risk. Gold Fields, which was the largest-weighted share in the ALSI during the first quarter of the year, has since fallen 41% from its peak in late January. As we have previously highlighted, the elevated weighting of precious metal shares in the ALSI is likely to introduce greater volatility and detract from the quality of the index's underlying fundamentals. At the end of the second quarter, the Fund's exposure to precious metals through miners and commodity exchange-traded funds was 7%.

As we reduced our positions in precious metals and British American Tobacco over the past year, we used the opportunity to initiate or add to positions that, in our view, improve the quality of the Fund. These include companies we have been materially underweight for some time, such as luxury goods group Richemont and food retailer Shoprite. Given their strong business fundamentals, it may be hard to believe that both shares have underperformed the broader market until recently. Richemont is the world's second-largest luxury goods company after LVMH, which we also hold in the Fund. Richemont owns some of the best jewellery brands in the world, including Cartier and Van Cleef & Arpels, with its less-profitable watch division contributing a declining share of group profits. Richemont has a very strong balance sheet with net cash before lease liabilities of approximately €8.5bn. We also like the fact that it's difficult to see artificial intelligence (AI) disrupting the luxury goods market, and that the company may even benefit from wealth created by the technology. There has also been a shift in the company's geographical revenue mix, away from Greater China to the United States.

The Fund has indirectly benefited from the rapid commercialisation of AI and the associated increase in spending. The stunning levels of capital expenditure announced by hyperscalers, such as Amazon and Alphabet, have led to a shortage of memory components used in AI data centre compute, particularly dynamic random-access memory (DRAM) and high bandwidth memory (HBM). This has resulted in a material increase in the earnings and share prices of businesses in the memory ecosystem, such as SK Square (through its stake in SK Hynix), Samsung Electronics and Micron Technology. Indeed, the three companies now have market capitalisations of over US\$1tn. The market will be closely monitoring the sustainability of their earnings. Our long-held position in Taiwan Semiconductor Manufacturing Company, whose dominant position in the foundry industry that produces high-end chips has continued to deliver stellar results, does not appear expensive relative to some other areas of the market.

During the quarter, the Fund added to its existing position in FirstRand, initiated a new position in Harmony Gold and reduced its holdings in AB InBev and Glencore.

Commentary contributed by Duncan Artus

**Fund manager quarterly
commentary as at
30 June 2026**

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Management Company

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.

Compliance with Regulation 28

The Fund is managed to comply with Regulation 28 of the Pension Funds Act 24 of 1956 (the "Pension Funds Act"). Exposures in excess of the limits will be corrected immediately, except where due to a change in the fair value or characteristic of an asset, e.g. market value fluctuations, in which case they will be corrected within the prescribed regulatory time period. The Management Company does not monitor compliance by retirement funds with section 19(4) of the Pension Funds Act (item 6 of Table 1 to Regulation 28).

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), VAT 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 and VAT thereon) 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 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).

Information for investors in the tax-free investment account

The Allan Gray Tax-Free Investment Account is administered by Allan Gray Investment Services (Pty) Ltd, an authorised administrative financial services provider, and underwritten by Allan Gray Life Ltd, an insurer licensed to conduct investment-linked life insurance business as defined in the Insurance Act 18 of 2017. The underlying investment options of the Allan Gray individual products are portfolios of collective investment schemes in securities (unit trusts or funds).

Foreign securities

The Fund invests in foreign securities. Depending on their markets, trading in those securities may carry risks relating to, among others, macroeconomic and political circumstances, constraints on liquidity or the repatriation of funds, foreign exchange rate fluctuations, taxation and trade settlement.

FTSE/JSE indices

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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 or via our Client Service Centre on **0860 000 654**

Fund description and summary of investment policy

The Fund invests in a mix of South African interest-bearing securities. These securities can be issued by government, parastatals, corporates and banks. The Fund's weighted average modified duration is limited to a maximum of two. Returns are likely to be less volatile than those of traditional income and bond funds, but more volatile than those of money market funds. The Fund is managed to comply with the investment limits governing retirement funds.

ASISA unit trust category: South African – Interest Bearing – Short Term

Fund objective and benchmark

The Fund aims to generate returns higher than bank deposits and traditional money market funds, while maintaining capital stability and low volatility. The Fund's benchmark is the Alexforbes Short Term Fixed Interest (STeFI) Composite Index.

How we aim to achieve the Fund's objective

The Fund invests in select South African interest-bearing securities providing an income yield and a high degree of capital stability. We formulate an interest rate outlook, which is influenced by our inflation outlook and expectations of the resulting Reserve Bank policy response. Based on this analysis, we select securities for the Fund. These will primarily be floating-rate notes, money market instruments and fixed interest paper with a low duration. We take a conservative approach to credit risk, liquidity risk and duration risk.

Suitable for those investors who

- Are risk-averse but seek returns higher than bank deposits and traditional money market funds
- Need a short-term investment account
- Seek a domestic-only interest-bearing 'building block'
- Require monthly income distributions

Meeting the Fund objective

Since inception the Fund has outperformed its benchmark and provided returns in excess of CPI inflation. The Fund aims to minimise risk by maintaining capital stability and low volatility.

Fund information on 30 June 2026

Fund size	R3.8bn
Number of units	205 148 238
Price (net asset value per unit)	R10.48
Modified duration:	0.8
Gross yield (i.e. before fees)	8.2
Net yield (i.e. after fees)	7.3
Fund weighted average maturity (years)	4.4
Class	A

- The Fund's benchmark is the Alexforbes Short Term Fixed Interest (STeFI) Composite Index. Performance as calculated by Allan Gray as at 30 June 2026. Source: Bloomberg.
- This data reflects the latest available headline CPI inflation numbers as at 31 May 2026 (source: Iress).
- Maximum percentage decline over any period. The maximum drawdown occurred from 7 October 2024 to 8 October 2024. Drawdown is calculated on the total return of the Fund (i.e. including income).
- The percentage of calendar months in which the Fund produced a positive monthly return since inception.
- 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.
- These are the highest or lowest consecutive 12-month returns since inception. 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 28 February 2026 and the benchmark's occurred during the 12 months ended 30 April 2025. The Fund's lowest annual return occurred during the 12 months ended 30 June 2026 and the benchmark's occurred during the 12 months ended 30 June 2026. All rolling 12-month figures for the Fund and the benchmark are available from our Client Service Centre on request

Income distributions for the last 12 months

Actual payout (cents per unit), the Fund distributes monthly

31 Jul 2025	31 Aug 2025	30 Sep 2025	31 Oct 2025
7.00	6.49	7.12	6.83
30 Nov 2025	31 Dec 2025	31 Jan 2026	28 Feb 2026
6.15	7.18	6.47	5.90
31 Mar 2026	30 Apr 2026	31 May 2026	30 Jun 2026
6.69	6.27	6.09	6.77

Performance net of all fees and expenses

% Returns	Fund	Benchmark ¹	CPI inflation ²
Cumulative:			
Since inception (1 May 2024)	24.1	17.3	7.7
Annualised:			
Since inception (1 May 2024)	10.5	7.7	3.6
Latest 2 years	10.5	7.6	3.7
Latest 1 year	10.2	7.1	4.5
Year-to-date (not annualised)	3.6	3.4	3.2
Risk measures (since inception)			
Maximum drawdown ³	-1.2	n/a	n/a
Percentage positive months ⁴	96.2	100.0	n/a
Annualised monthly volatility ⁵	1.1	0.2	n/a
Highest annual return ⁶	11.7	8.2	n/a
Lowest annual return ⁵	10.2	7.1	n/a

Annual management fee

A fixed fee of 0.65% p.a. excl. VAT

Total expense ratio (TER) and transaction costs

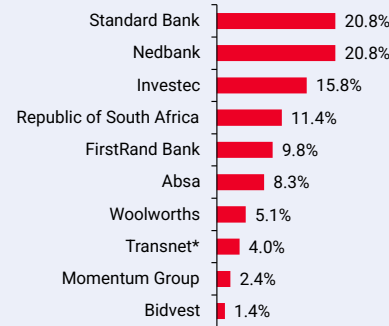
The annual management fee is included in the TER. The TER is the percentage of the value of the Fund that was incurred as expenses relating to the administration of the Fund, annualised over the relevant periods. Since Fund returns are quoted after deduction of these expenses, the TER should not be deducted from the published returns (refer to page 4 for further information). Transaction costs are disclosed separately and are the percentage of the value of the Fund that was incurred as costs relating to the buying and selling of the assets underlying the Fund. The TER and transaction costs are based on actual data, where available, and best estimates. The total investment charge (TIC) is the sum of the TER and transaction costs.

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

1- and 3-year TER and transaction costs breakdown	1yr %	3yr % ⁷
Total expense ratio	0.76	0.75
Fee for benchmark performance	0.65	0.65
Other costs excluding transaction costs	0.01	0.01
VAT	0.10	0.10
Transaction costs (including VAT)	0.00	0.00
Total investment charge	0.76	0.75

7. Based on since-inception data, as the Fund does not yet have a 3-year history.

Top credit exposures on 30 June 2026⁸

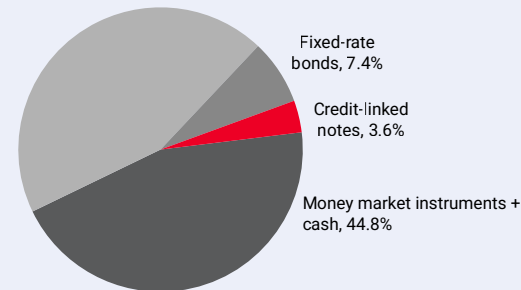


*RSA government guaranteed

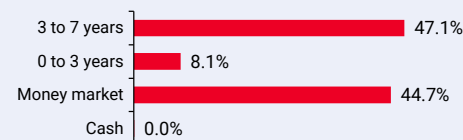
8. Exposures representing 1% or more of the portfolio.

Asset allocation on 30 June 2026

Floating-rate notes, 44.2%



Maturity profile on 30 June 2026



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

The first half of the year has presented a more difficult environment for investors, with the outbreak of war in the Middle East in February being the single biggest market-moving event. The escalation of the conflict and the resulting shipping disruptions in the Strait of Hormuz, through which roughly one-fifth of the global oil supply is transported, led to a sharp rise in crude oil prices. In turn, rising inflation expectations and lower economic growth estimates have heightened global market volatility.

Heading into the year, the consensus was that the interest rate-cutting cycle would continue, but the war has reversed this narrative and pushed the European Central Bank and the Bank of Japan towards hikes. Other banks moved to hold rates steady owing to the uncertainty. Developed market sovereign debt yields broadly moved higher. In the United States, expectations that the incoming US Federal Reserve (Fed) chair, Kevin Warsh, would favour policy easing were also challenged, as the Fed's recent statement took a more hawkish tone. Greater emphasis was placed on reining in rising prices as US inflation hit levels last seen in 2023, when the Fed was tightening monetary policy. Market expectations shifted dramatically towards two rate hikes by the end of the year.

The South African Reserve Bank (SARB) raised the key repo rate by 25 basis points (bps) to 7% at its Monetary Policy Committee (MPC) meeting in May. This marked the SARB's first interest rate hike since 2023, following two consecutive holds. The vote was split four to two, with four members favouring the hike and two preferring no change. A larger 50 bps hike was considered, but the MPC ultimately decided that second-round effects, where the shock broadens into wages and inflation expectations, were not yet sufficiently evident in the data to justify a larger increase.

The South African consumer price index (CPI) rose from the low 3% range seen earlier in the year to 4.5% in May, largely due to higher energy costs. Fuel prices increased 28.7% year-on-year, marking one of the largest jumps in fuel inflation on record. Excluding fuel, the CPI was 3.7% in May, unchanged from April, and has remained within a narrow 3.5-3.8% range over the past 12 months, with monthly ex-fuel inflation at just 0.2% in May. This indicates that the fuel shock is responsible for most of the increase in the headline number, while broader underlying inflation is only rising slowly.

The signing of a memorandum of understanding between the US and Iran in June and subsequent attempts to restore normal transit through the Strait of Hormuz have contributed to a significant decline in the oil price, fully reversing the war-driven increases. Despite ongoing tensions and a fragile ceasefire, the recent drop in oil prices has mitigated the immediate inflation risks in South Africa's near-term outlook that had warranted the rate hike in May. As a result, expectations for further rate increases have moderated from the elevated levels seen during the conflict.

During the quarter, the Fund increased its allocation to floating-rate paper. In light of the upside inflation risks, the Fund stands to benefit from this positioning, as yields on these instruments will rise with interest rate hikes. At quarter end, the Fund's annualised gross yield was 8.2%.

Commentary contributed by Sean Munsie

Fund manager quarterly commentary as at 30 June 2026

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Management Company

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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. 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 applicable taxes.

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.

Yield

The Fund's gross yield is the estimated weighted average yield-to-maturity of all underlying interest-bearing instruments as at the last day of the month. The one-year TER is deducted from the gross yield to derive a yield net of fund expenses. Actual returns may differ based on changes in market values, interest rates and market factors during the investment period.

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.

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), VAT 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 and VAT thereon) 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 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).

Compliance with Regulation 28

The Fund is managed to comply with Regulation 28 of the Pension Funds Act 24 of 1956 (the "Pension Funds Act"). Exposures in excess of the limits will be corrected immediately, except where due to a change in the fair value or characteristic of an asset, e.g. market value fluctuations, in which case they will be corrected within the prescribed regulatory time period. The Management Company does not monitor compliance by retirement funds with section 19(4) of the Pension Funds Act (item 6 of Table 1 to Regulation 28).

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Fund description and summary of investment policy

The Fund invests in South African interest-bearing securities. Securities include national government, parastatal, municipal and corporate bonds, as well as money market instruments. The Fund price is sensitive to interest rate movements because of the long-term nature of the Fund's investments. The duration of the Fund may differ materially from the benchmark. The Fund is managed to comply with investment limits governing retirement funds.

ASISA unit trust category: South African – Interest Bearing – Variable Term

Fund objective and benchmark

The Bond Fund's goal is to deliver returns that exceed inflation and cash over the long term, without taking on undue risk. The Fund's benchmark is the FTSE/JSE All Bond Index.

How we aim to achieve the Fund's objective

We try to balance credit risk, duration risk and liquidity risk when selecting investments. We target total returns for investors rather than trying to mirror the returns of the FTSE/JSE All Bond Index. When we cannot find value in the bond markets, our portfolio will be weighted towards cash to achieve better returns.

Suitable for those investors who

- Seek a bond 'building block' for a diversified multi-asset class portfolio
- Are looking for returns in excess of those provided by money market or cash investments
- Are prepared to accept more risk of capital depreciation than in a money market or cash investment

Meeting the Fund objective

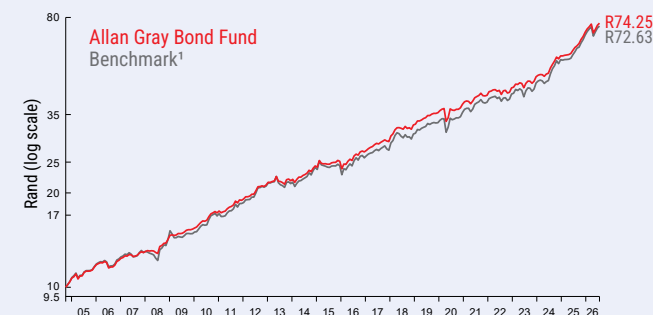
Since inception the Fund has outperformed its benchmark. Over the latest 10- and five-year periods, the Fund has underperformed its benchmark. The Fund has provided returns in excess of CPI inflation for all three periods. The Fund aims to take no greater risk than its benchmark. The maximum drawdown and lowest annual return numbers, in the 'Performance net of all fees and expenses' table, show that the Fund has successfully reduced downside risk in periods of negative market returns.

Fund information on 30 June 2026

Fund size	R11.3bn
Number of units	614 428 603
Price (net asset value per unit)	R12.18
Modified duration	5.6
Gross yield (i.e. before fees)	8.6
Class	A

Performance net of all fees and expenses

Value of R10 invested at inception with all distributions reinvested



1. FTSE/JSE All Bond Index (source: Iress), performance as calculated by Allan Gray as at 30 June 2026.
2. This data reflects the latest available headline CPI inflation numbers as at 31 May 2026 (source: Iress).
3. Maximum percentage decline over any period. The maximum drawdown occurred from 27 February 2020 to 24 March 2020 and maximum benchmark drawdown occurred from 26 February 2020 to 23 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. 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 28 February 2026 and the benchmark's occurred during the 12 months ended 31 January 2016 and the benchmark's occurred during the 12 months ended 31 January 2016. All rolling 12-month figures for the Fund and the benchmark are available from our Client Service Centre on request.

% Returns	Fund	Benchmark ¹	CPI inflation ²
Cumulative:			
Since inception (1 October 2004)	642.5	626.3	211.1
Annualised:			
Since inception (1 October 2004)	9.7	9.5	5.4
Latest 10 years	10.6	10.8	4.7
Latest 5 years	11.8	12.4	5.1
Latest 3 years	16.4	17.8	4.2
Latest 2 years	18.6	19.9	3.7
Latest 1 year	20.3	21.5	4.5
Year-to-date (not annualised)	4.5	4.2	3.2
Risk measures (since inception)			
Maximum drawdown ³	-18.9	-19.3	n/a
Percentage positive months ⁴	73.2	70.1	n/a
Annualised monthly volatility ⁵	6.1	7.6	n/a
Highest annual return ⁶	26.4	28.2	n/a
Lowest annual return ⁶	-2.6	-5.6	n/a

Income distributions for the last 12 months

Actual payout, the Fund distributes quarterly	30 Sep 2025	31 Dec 2025	31 Mar 2026	30 Jun 2026
Cents per unit	26.1388	25.9725	25.3473	25.4597

Annual management fee

A fixed fee of 0.50% p.a. excluding VAT

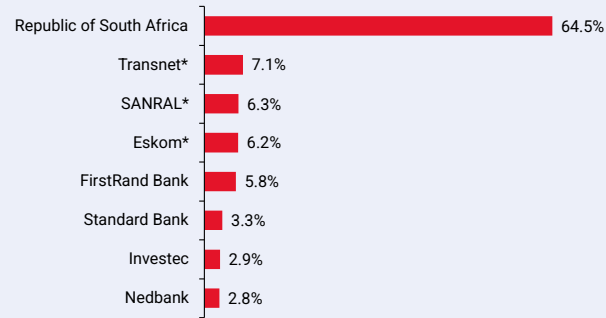
Total expense ratio (TER) and transaction costs

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.

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

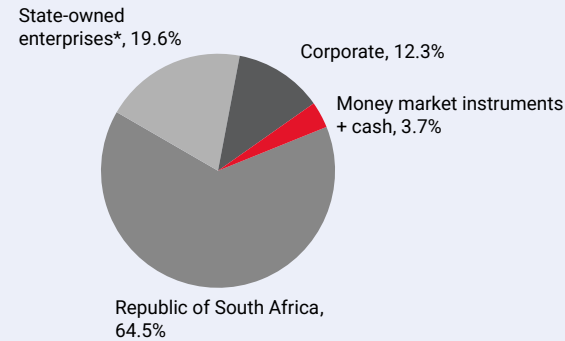
1- and 3-year TER and transaction costs breakdown	1yr %	3yr %
Total expense ratio	0.58	0.58
Fee for benchmark performance	0.50	0.50
Other costs excluding transaction costs	0.01	0.01
VAT	0.08	0.08
Transaction costs (including VAT)	0.00	0.00
Total investment charge	0.58	0.58

Top credit exposures on 30 June 2026⁷



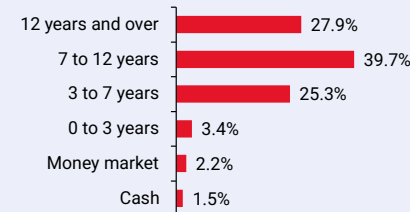
7. Exposures representing 1% or more of the portfolio.

Asset allocation on 30 June 2026



*RSA government guaranteed

Maturity profile on 30 June 2026



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

After a tumultuous start to 2026, South African government bond yields are mostly flat relative to the start of the year, and the FTSE/JSE All Bond Index year-to-date return is back in positive total return territory. While the prospect of a US-Iran peace deal and the reopening of the Strait of Hormuz set the stage for South African bonds to rally back to where they started the year, it has been a markedly more difficult year for developed market bonds, such as US Treasuries, UK Gilts, German Bunds and French OATs. Historically, such a sell-off in developed market bonds has impacted South African and African debt returns. Between 2013 and 2023, yield changes in African sovereign bonds tended to move with US Treasuries. When US Treasuries sold off, African bonds (including those of South Africa) also lost value.

If one plots the yield movements of African sovereign bonds against those of US Treasuries between 2023 and 2026, one observes African debt yields falling precisely when US government bond yields are rising. Developed market bonds are trading near their yield highs, or price lows, last seen 10 to 20 years ago. While inflation is partly to blame, bearing in mind that the United States has not been able to achieve its 2% inflation target in more than five years, another factor at play is that many developed market sovereigns are running some of the widest fiscal deficits on record outside of crisis periods, such as the COVID-19 pandemic, global financial crisis and global wartime periods. On a primary balance basis, many African sovereigns are in primary surplus, and several are running smaller fiscal deficits than the United States, France and the United Kingdom.

South Africa has run a cumulative primary surplus of approximately R270bn since the 2022/2023 financial year, ending the trend of primary deficits that previously ran for more than a decade. While this is incredibly positive on paper, what is often overlooked is that roughly R180bn of these surpluses came from monetising the Gold and Foreign Exchange Contingency Reserve Account (GFECRA). Revenue overruns have also been achieved due to high commodity and platinum group metal prices. That said, it is important to acknowledge that fiscal prudence has channelled these windfalls towards reducing the rate of government borrowing from the prior dramatic pace of increase envisaged in the 2023 Medium-Term Budget Policy Statement prior to the GFECRA monetisation decision.

From a pace of R4bn per week in 2023, fixed-rate government bond auctions have been slashed to R2.5bn per week, although we must not forget the important role that innovations like the floating-rate bond and sukuk issuances have played in facilitating this reduction. At the current pace of fixed-rate bond issuance, roughly 70% of coupons need to be reinvested to fund the local fixed-rate borrowing requirement. By contrast, prior to 2023, local investors effectively had to reinvest all their coupons and commit extra capital to fund the primary deficit and make up for foreign investors' capital withdrawals, as these non-residents did not fully reinvest coupons. In short, weekly auctions are much easier to fund today, as evidenced by the fact that they are sometimes as high as five to six times oversubscribed.

Against such a backdrop, it can be tough to make a strong bear case for South African bonds on the basis of supply and demand. The success or failure of the 3% inflation target is one factor that may throw a spanner in the works with regard to appropriate fair value, with a potential El Niño shock or a further rise in administered prices representing two of the near-term risks beyond oil-related secondary shocks. Political upheaval in the run-up to the local government elections and the next national elections may also alter perceptions of risk premia.

In the last quarter, the Fund continued to switch out of the 20-year area of the bond curve and into the 12-year area of the curve. At the extreme end of the South African bond yield curve, an investor earns a meagre 20 basis points of yield pick-up to take on 15 years of additional time-to-maturity, or 3 points worth of modified duration. This level of curve flatness arguably offers an imprudent risk-reward ratio, especially given the strong capital gains of the last year.

Commentary contributed by Thalia Petousis

**Fund manager quarterly
commentary as at
30 June 2026**

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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.

Yield

The Allan Gray Bond Fund's gross yield is the estimated weighted average yield-to-maturity of all underlying interest-bearing instruments as at the last day of the month. Actual returns may differ, based on changes in market values, interest rates and market factors during the investment period.

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.

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), VAT 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 and VAT thereon) 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 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).

Compliance with Regulation 28

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Fund description and summary of investment policy

The Fund invests primarily in a mix of South African interest-bearing securities, with limited exposure to offshore interest-bearing securities. Returns are likely to be less volatile than those of a bond-only fund. The Fund is managed to comply with the investment limits governing retirement funds.

ASISA unit trust category: South African – Multi Asset – Income

Fund objective and benchmark

The Fund aims to generate income and produce returns that are superior to traditional money market funds, while preserving capital and minimising the risk of loss over any one- to two-year period. The Fund's benchmark is the Alexforbes Short Term Fixed Interest (STeFI) Composite Index.

How we aim to achieve the Fund's objective

The Fund invests in a broad range of South African interest-bearing securities, such as floating-rate notes, inflation-linked bonds, fixed-rate instruments and money market securities, with limited exposure to offshore interest-bearing securities. It provides investors with income and a high degree of capital stability. We formulate an interest rate outlook, which is influenced by our inflation outlook and expectations of the resulting Reserve Bank policy response. Based on this analysis, we select securities for the Fund. While the Fund can have limited exposure to equities and property, we expect this to occur infrequently and to typically coincide with unusual or extreme points in the valuation cycle. We take a conservative approach to managing the Fund, balancing credit risk, duration risk and liquidity risk when selecting securities.

Suitable for those investors who

- Are risk-averse and require capital preservation over any one- to two-year period
- Seek returns higher than traditional money market funds
- Seek a unit trust that provides an income
- Seek a prudently managed income 'building block'
- Wish to invest in a unit trust that complies with retirement fund investment limits

Meeting the Fund objective

Since inception the Fund has outperformed its benchmark and provided returns in excess of CPI inflation. The Fund aims to minimise risk of loss over any one- to two-year period.

Income distributions for the last 12 months

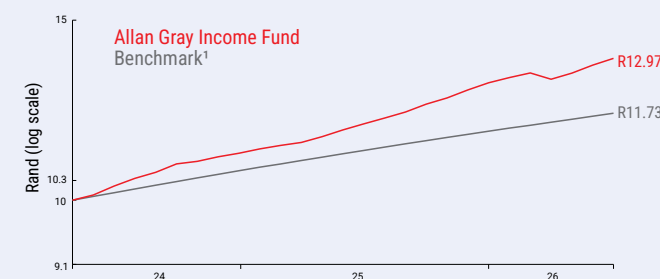
Actual payout, the Fund distributes quarterly	30 Sep 2025	31 Dec 2025	31 Mar 2026	30 Jun 2026
Cents per unit	22.1094	21.9092	20.8736	20.9751

Fund information on 30 June 2026

Fund size	R3.7bn
Number of units	223 836 791
Price (net asset value per unit)	R11.02
Modified duration	1.7
Gross yield (i.e. before fees)	8.5
Net yield (i.e. after fees)	7.5
Fund weighted average maturity (years)	4.4
Class	A

Performance net of all fees and expenses

Value of R10 invested at inception with all distributions reinvested



- The Fund's benchmark is the Alexforbes Short Term Fixed Interest (STeFI) Composite Index. Performance as calculated by Allan Gray as at 30 June 2026. Source: Bloomberg.
- This data reflects the latest available headline CPI inflation numbers as at 31 May 2026 (source: Iress).
- Maximum percentage decline over any period. The maximum drawdown occurred from 2 March 2026 to 23 March 2026. Drawdown is calculated on the total return of the Fund (i.e. including income).
- The percentage of calendar months in which the Fund produced a positive monthly return since inception.
- 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.
- These are the highest or lowest consecutive 12-month returns since inception. 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 28 February 2026 and the benchmark's occurred during the 12 months ended 30 April 2025. The Fund's lowest annual return occurred during the 12 months ended 30 September 2025 and the benchmark's occurred during the 12 months ended 30 June 2026. All rolling 12-month figures for the Fund and the benchmark are available from our Client Service Centre on request.

% Returns	Fund	Benchmark ¹	CPI inflation ²
Cumulative:			
Since inception (1 May 2024)	29.7	17.3	7.7
Annualised:			
Since inception (1 May 2024)	12.8	7.7	3.6
Latest 2 years	12.4	7.6	3.7
Latest 1 year	12.8	7.1	4.5
Year-to-date (not annualised)	4.6	3.4	3.2
Risk measures (since inception)			
Maximum drawdown ³	-1.6	n/a	n/a
Percentage positive months ⁴	96.2	100.0	n/a
Annualised monthly volatility ⁵	1.9	0.2	n/a
Highest annual return ⁶	14.2	8.2	n/a
Lowest annual return ⁶	11.6	7.1	n/a

Annual management fee

A fixed fee of 0.75% p.a. excl. VAT

Total expense ratio (TER) and transaction costs

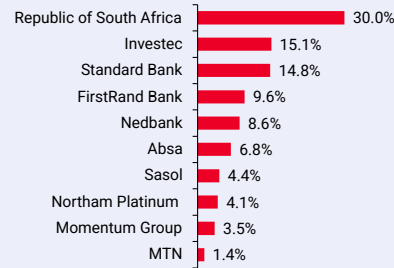
The annual management fee is included in the TER. The TER is the percentage of the value of the Fund that was incurred as expenses relating to the administration of the Fund, annualised over the relevant periods. Since Fund returns are quoted after deduction of these expenses, the TER should not be deducted from the published returns (refer to page 4 for further information). Transaction costs are disclosed separately and are the percentage of the value of the Fund that was incurred as costs relating to the buying and selling of the assets underlying the Fund. The TER and transaction costs are based on actual data, where available, and best estimates. The total investment charge (TIC) is the sum of the TER and transaction costs.

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

1- and 3-year TER and transaction costs breakdown	1yr %	3yr % ⁷
Total expense ratio	0.87	0.87
Fee for benchmark performance	0.75	0.75
Other costs excluding transaction costs	0.01	0.01
VAT	0.11	0.11
Transaction costs (including VAT)	0.00	0.00
Total investment charge	0.87	0.87

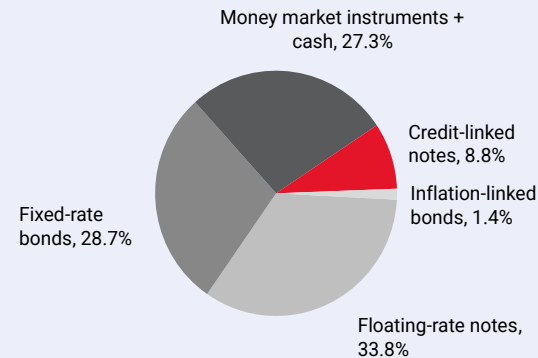
7. Based on since-inception data, as the Fund does not yet have a 3-year history.

Top credit exposures on 30 June 2026⁸



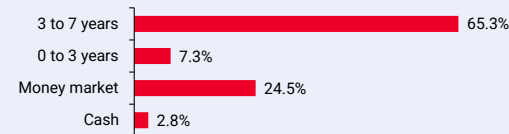
8. Exposures representing 1% or more of the portfolio.

Asset allocation on 30 June 2026⁹



9. Foreign exposure on 30 June 2026: 4.4% is invested in foreign investments.

Maturity profile on 30 June 2026



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

The first half of the year has presented a more difficult environment for investors, with the outbreak of war in the Middle East in February being the single biggest market-moving event. The escalation of the conflict and the resulting shipping disruptions in the Strait of Hormuz, through which roughly one-fifth of the global oil supply is transported, led to a sharp rise in crude oil prices. In turn, rising inflation expectations and lower economic growth estimates have heightened global market volatility.

Heading into the year, the consensus was that the interest rate-cutting cycle would continue, but the war has reversed this narrative and pushed the European Central Bank and the Bank of Japan towards hikes. Other banks moved to hold rates steady owing to the uncertainty. Developed market sovereign debt yields broadly moved higher. In the United States, expectations that the incoming US Federal Reserve (Fed) chair, Kevin Warsh, would favour policy easing were also challenged, as the Fed's recent statement took a more hawkish tone. Greater emphasis was placed on reining in rising prices as US inflation hit levels last seen in 2023, when the Fed was tightening monetary policy. Market expectations shifted dramatically towards two rate hikes by the end of the year.

The South African Reserve Bank (SARB) raised the key repo rate by 25 basis points (bps) to 7% at its Monetary Policy Committee (MPC) meeting in May. This marked the SARB's first interest rate hike since 2023, following two consecutive holds. The vote was split four to two, with four members favouring the hike and two preferring no change. A larger 50 bps hike was considered, but the MPC ultimately decided that second-round effects, where the shock broadens into wages and inflation expectations, were not yet sufficiently evident in the data to justify a larger increase.

The South African consumer price index (CPI) rose from the low 3% range seen earlier in the year to 4.5% in May, largely due to higher energy costs. Fuel prices increased 28.7% year-on-year, marking one of the largest jumps in fuel inflation on record. Excluding fuel, the CPI was 3.7% in May, unchanged from April, and has remained within a narrow 3.5-3.8% range over the past 12 months, with monthly ex-fuel inflation at just 0.2% in May. This shows that the fuel shock is responsible for most of the increase in the headline number, while broader underlying inflation is only rising slowly.

The signing of a memorandum of understanding between the United States and Iran in June and subsequent attempts to restore normal transit through the Strait of Hormuz have contributed to a significant decline in the oil price, fully reversing the war-driven increases. Despite ongoing tensions and a fragile ceasefire, the recent drop in oil prices has mitigated the immediate inflation risks in South Africa's near-term outlook that had warranted the rate hike in May. As a result, expectations for further rate increases have moderated from the elevated levels seen during the conflict.

During the quarter, the Fund increased its allocation to floating-rate paper and inflation-linked bonds. In light of the upside inflation risks, the Fund stands to benefit from this positioning, as these instruments would benefit from higher inflation and interest rates. At quarter end, the Fund's annualised gross yield was 8.5%.

Commentary contributed by Sean Munsie

Fund manager quarterly commentary as at 30 June 2026

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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. 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.

Yield

The Fund's gross yield is the estimated weighted average yield-to-maturity of all underlying interest-bearing instruments as at the last day of the month. The one-year TER is deducted from the gross yield to derive a yield net of fund expenses. Actual returns may differ based on changes in market values, interest rates and market factors during the investment period.

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.

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), VAT 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 and VAT thereon) 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 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).

Compliance with Regulation 28

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Foreign securities

The Fund may invest in foreign securities. Depending on their markets, trading in those securities may carry risks relating to, among others, macroeconomic and political circumstances, constraints on liquidity or the repatriation of funds, foreign exchange rate fluctuations, taxation and trade settlement.

FTSE/JSE indices

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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**.

Fund description and summary of investment policy

The Fund invests in South African money market instruments with a term shorter than 13 months. These instruments can be issued by government, parastatals, corporates and banks. The Fund is managed to comply with regulations governing retirement funds.

While capital losses are unlikely, they can occur if, for example, one of the issuers of an instrument held by the Fund defaults. In this event losses will be borne by the Fund and its investors.

ASISA unit trust category: South African – Interest Bearing – SA Money Market

Fund objective and benchmark

The Fund aims to preserve capital, maintain liquidity and generate a sound level of income. The Fund’s benchmark is the Alexforbes Short Term Fixed Interest (STeFI) 3-month Index.

How we aim to achieve the Fund’s objective

The Fund invests in selected money market instruments providing an income yield and a high degree of capital stability. We formulate an interest rate outlook, which is influenced by our inflation outlook and expectations of the resulting Reserve Bank policy response. Based on this analysis, we select investments for the Fund. These assets are typically held to maturity. We take a conservative approach to credit risk.

Suitable for those investors who

- Require monthly income distributions
- Are highly risk-averse but seek returns higher than bank deposits
- Need a short-term investment account

Meeting the Fund objective

The Fund has preserved capital, maintained liquidity and generated a sound level of income.

Fund information on 30 June 2026

Fund size	R28.1bn
Number of units	24 659 571 691
Price (net asset value per unit)	R1.00
Monthly yield at month end	0.57
Fund weighted average duration (days)	83.52
Fund weighted average maturity (days)	114.60
Class	A

1. The current benchmark is the Alexforbes Short Term Fixed Interest (STeFI) 3-month Index. From inception to 31 March 2003, the benchmark was the Alexforbes 3-Month Deposit Index. From 1 April 2003 to 31 October 2011, the benchmark was the Domestic Fixed Interest Money Market Collective Investment Scheme sector excluding the Allan Gray Money Market Fund. From 1 November 2011 to 19 August 2024, the benchmark was the Alexforbes Short Term Fixed Interest (STeFI) Composite Index. Performance as calculated by Allan Gray as at 30 June 2026. Source: Bloomberg.
2. This data reflects the latest available headline CPI inflation numbers as at 31 May 2026 (source: Iress).
3. The percentage of calendar months in which the Fund produced a positive monthly return since inception.
4. 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.
5. These are the highest or lowest consecutive 12-month returns since inception. 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 July 2003 and the benchmark’s occurred during the 12 months ended 31 July 2003. The Fund’s lowest annual return occurred during the 12 months ended 31 October 2021 and the benchmark’s occurred during the 12 months ended 31 October 2021. All rolling 12-month figures for the Fund and the benchmark are available from our Client Service Centre on request.

Income distributions for the last 12 months

Actual payout (cents per unit), the Fund distributes monthly

31 Jul 2025	31 Aug 2025	30 Sep 2025	31 Oct 2025
0.65	0.63	0.60	0.62
30 Nov 2025	31 Dec 2025	31 Jan 2026	28 Feb 2026
0.60	0.60	0.60	0.53
31 Mar 2026	30 Apr 2026	31 May 2026	30 Jun 2026
0.59	0.57	0.59	0.57

Performance net of all fees and expenses

% Returns	Fund	Benchmark ¹	CPI Inflation ²
Cumulative:			
Since inception (1 July 2001)	539.2	505.2	264.2
Annualised:			
Since inception (1 July 2001)	7.7	7.5	5.3
Latest 10 years	7.2	6.7	4.7
Latest 5 years	7.3	6.8	5.1
Latest 3 years	8.3	7.7	4.2
Latest 2 years	7.9	7.4	3.7
Latest 1 year	7.4	6.8	4.5
Year-to-date (not annualised)	3.5	3.2	3.2
Risk measures (since inception)			
Percentage positive months ³	100.0	100.0	n/a
Annualised monthly volatility ⁴	0.6	0.6	n/a
Highest annual return ⁵	12.8	13.3	n/a
Lowest annual return ⁵	4.3	3.8	n/a

Annual management fee

A fixed fee of 0.25% p.a. excl. VAT

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.

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

1- and 3-year TER and transaction costs breakdown	1yr %	3yr %
Total expense ratio	0.29	0.29
Fee for benchmark performance	0.25	0.25
Other costs excluding transaction costs	0.00	0.00
VAT	0.04	0.04
Transaction costs (including VAT)	0.00	0.00
Total investment charge	0.29	0.29

Credit exposures as at 30 June 2026

	% of portfolio
Governments	38.3
Republic of South Africa	38.3
Banks⁶	60.2
Nedbank	16.9
Standard Bank	16.5
Investec	10.5
FirstRand	9.9
Absa	6.5
Corporates	1.5
Sanlam	1.5
Total (%)	100.0

Asset allocation on 30 June 2026

Asset class	Total
Bonds	1.2
Money market and cash	98.8
Total (%)	100.0

6. Banks include negotiable certificates of deposit (NCDs), floating-rate notes, fixed-rate notes, and call deposits.

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

While 2026 began with the overnight rate at 6.75% and the 12-month bank funding rate at 7.1%, these yields have subsequently risen to 7.0% and 7.6%, respectively. The 50-basis-point move in the 12-month part of the curve suggests that, beyond the interest rate hike implemented by the South African Reserve Bank (SARB) at its Monetary Policy Committee meeting in May, the market expects at least one more rate hike this year, with forward rate agreements suggesting that two more hikes could be on the cards.

Much of the debate around how long a shadow the oil price shock will cast rests on how quickly global inventories will be refilled, with the US Strategic Petroleum Reserve now at its lowest inventory level since the early 1980s. Despite this, traded oil prices normalised to their pre-war levels after the latest US-Iran ceasefire agreement and the reopening of the Strait of Hormuz. With the United Arab Emirates formally exiting the Organization of the Petroleum Exporting Countries agreement in May and abandoning its oil production quota, there is a possibility that the oil market could move into surplus relatively quickly.

Risks to the inflation outlook have not fully abated, however. An anticipated weather-related shock may raise prices later in the year: Climatologists are currently predicting an elevated risk of a "super El Niño" cycle based on changing sea-surface temperature data, with the caveat that weather forecasting is not a so-called exact science. Historically, these cycles have raised agricultural prices, most notably for wheat, cocoa, palm oil and corn, due to Southern Hemisphere drought conditions and reduced rainfall across regions such as West Africa, India and South-East Asia.

Fortunately, South Africa is favourably positioned for such a risk event, having enjoyed back-to-back seasons of surplus grains and elevated crop yields, as well as the strongest water storage levels across national dams that we have experienced in many years. This, of course, does not fully insulate us from a shock to global food prices. We could become increasingly vulnerable to a sustained drought through 2027 that would deplete surplus crops. Additionally, the high percentage of water that is lost to leaks across several provinces already increases our susceptibility to water rationing. At its most recent meeting, the SARB modelled for headline inflation possibly climbing to 6% in an El Niño shock due to a double-digit rise in food prices. In turn, the SARB modelled for the potential to raise the overnight rate as high as 7.75% to 8% in response.

In the last quarter, the Fund increased its allocation to floating-rate paper. Such adverse scenarios, like the potential for an inflationary shock, are considered when managing the Fund, as reflected in a strong allocation to floating-rate paper whose yields are expected to rise with rate hikes.

Commentary contributed by Thalia Petousis

**Fund manager quarterly
commentary as at
30 June 2026**

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The Allan Gray Money Market Fund is not a bank deposit account

The Fund aims to maintain a constant price of 100 cents per unit. The total return an investor receives is made up of interest received and any gain or loss made on instruments held by the Fund. While capital losses are unlikely, they can occur if, for example, one of the issuers of an instrument defaults. In this event, investors may lose some of their capital. To maintain a constant price of 100 cents per unit, investors' unit holdings will be reduced to the extent of such losses. The yield is calculated according to applicable ASISA standards. Excessive withdrawals from the Fund may place it under liquidity pressure; if this happens, withdrawals may be ring-fenced and managed over a period of time.

Purchase and redemption requests must be received by the Management Company by 11:00 each business day to receive that day's price. Unit trust prices are available daily on www.allangray.co.za.

Fees

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