Allan Gray Equity Fund

30 April 2022

Fund description and summary of investment policy

The Fund invests primarily in shares listed on the Johannesburg Stock Exchange (JSE). The Fund can invest a maximum of 45% offshore. The Fund invests the bulk of its foreign allowance in equity funds managed by Orbis Investment Management Limited, our offshore investment partner. 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 – General

Fund objective and benchmark

The Fund aims to create long-term wealth for investors. It aims to outperform the average return of South African General Equity Funds over the long term, without taking on greater risk of loss. To pursue its objective the Fund's portfolio may differ materially from those of its peers. 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 market value-weighted average return of funds in the South African – Equity – General category (excluding Allan Gray funds).

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 from sellers who over-react to short-term difficulties or undervalue long-term potential. We invest in a selection of shares across all sectors of the stock market, and across the range of large, mid and smaller cap shares.

Suitable for those investors who

- Seek exposure to 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

Minimum investment amounts*

Initial lump sum per investor account	R50 000
Additional lump sum	R1 000
Debit order**	R1 000

*Lower minimum investment amounts apply for investments in the name of an investor younger than 18. Please refer to our website for more information.

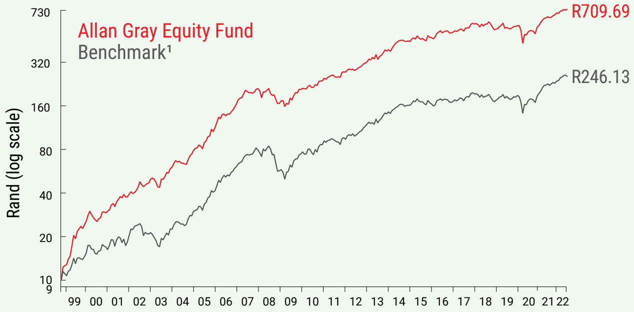
**Only available to investors with a South African bank account.

Fund information on 30 April 2022

Fund size	R39.6bn
Number of units	47 461 686
Price (net asset value per unit)	R474.52
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 (1 October 1998)	6996.9	2361.3	239.3
Annualised:			
Since inception (1 October 1998)	19.8	14.6	5.3
Latest 10 years	9.9	9.4	5.0
Latest 5 years	6.4	6.9	4.3
Latest 3 years	7.5	9.8	4.4
Latest 2 years	21.9	24.5	4.6
Latest 1 year	14.3	14.2	5.9
Year-to-date (not annualised)	2.9	1.8	2.4
Risk measures (since inception)			
Maximum drawdown[3]	-37.0	-45.4	n/a
Percentage positive months[4]	65.7	59.7	n/a
Annualised monthly volatility[5]	15.5	16.7	n/a
Highest annual return[6]	125.8	73.0	n/a
Lowest annual return[6]	-24.3	-37.6	n/a

1. The market value-weighted average return of funds in the South African – Equity – General category (excluding Allan Gray funds). Source: Morningstar, performance as calculated by Allan Gray as at 30 April 2022. From inception to 28 February 2015 the benchmark was the FTSE/JSE All Share Index including income. Source: IRESS.
2. This is based on the latest available numbers published by IRESS as at 31 March 2022.
3. Maximum percentage decline over any period. The maximum drawdown occurred from 3 September 2018 to 23 March 2020 and maximum benchmark drawdown occurred from 22 May 2008 to 20 November 2008. 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 30 September 1999 and the benchmark's occurred during the 12 months ended 30 April 2006. 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 28 February 2009. All rolling 12-month figures for the Fund and the benchmark are available from our Client Service Centre on request.

Tel 0860 000 654 or +27 (0)21 415 2301 **Fax** 0860 000 655 or +27 (0)21 415 2492 **Email** info@allangray.co.za **www.allangray.co.za**

Meeting the Fund objective

The Fund has created wealth for its long-term investors. Since inception and over the latest 10-year period, the Fund has outperformed its benchmark. Over the latest five-year period the Fund has underperformed its benchmark. The Fund experiences periods of underperformance in pursuit of its objective of creating long-term wealth for investors, without taking on greater risk of loss than the average equity fund. 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.

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.	30 Jun 2021	31 Dec 2021
Cents per unit	**330.8930**	**448.7288**

Annual management fee

Allan Gray charges a fee based on the net asset value of the Fund excluding the portion invested in Orbis funds. 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 0.2%. The maximum fee is uncapped and if the fee would have been negative, 0% 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 approximately 20% of annualised performance relative to the benchmark.

A portion of the Fund may be invested in Orbis funds. Orbis charges performance-based fees within these funds that are calculated based on each Orbis fund's performance relative to its own benchmark. 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 31 March 2022 (SA and Foreign)
(updated quarterly)[7]

Company	% of portfolio
British American Tobacco	6.6
Glencore	6.3
Naspers[8]	5.7
Nedbank	3.4
Woolworths	3.3
Remgro	3.2
Standard Bank	3.0
Sasol	3.0
Sibanye-Stillwater	2.7
AB InBev	2.7
Total (%)	**39.8**

7. Underlying holdings of Orbis funds are included on a look-through basis.
8. Includes holding in stub certificates or Prosus N.V., if applicable.
9. FTSE/JSE All Share Index.

Total expense ratio (TER) and transaction costs

TER and transaction costs breakdown for the 1- and 3-year period ending 31 March 2022	1yr %	3yr %
Total expense ratio	**0.69**	**0.65**
Fee for benchmark performance	1.11	1.12
Performance fees	-0.51	-0.56
Other costs excluding transaction costs	0.03	0.04
VAT	0.06	0.05
Transaction costs (including VAT)	**0.09**	**0.10**
Total investment charge	**0.78**	**0.75**

Sector allocation on 31 March 2022
(updated quarterly)[7]

Sector	% of Fund	% of ALSI[9]
Energy	3.3	1.1
Basic materials	22.4	31.0
Industrials	6.9	3.9
Consumer staples	14.3	8.1
Healthcare	3.0	2.0
Consumer discretionary	9.2	15.9
Telecommunications	2.0	6.3
Utilities	0.6	0.0
Financials	26.7	21.6
Technology	6.6	6.8
Commodity-linked	0.5	0.0
Real estate	1.1	3.4
Money market and bank deposits	3.3	0.0
Bonds	0.1	0.0
Total (%)	**100.0**	**100.0**

Asset allocation on 30 April 2022[7]

Asset class	Total	South Africa	Africa ex-SA	Foreign ex-Africa
Net equities	95.3	68.0	3.8	23.6
Hedged equities	0.0	0.0	0.0	0.0
Property	1.0	1.0	0.0	0.1
Commodity-linked	0.5	0.5	0.0	0.0
Bonds	0.3	0.1	0.0	0.2
Money market and bank deposits	2.8	1.6	-0.2	1.4
Total (%)	**100.0**	**71.1**	**3.6**	**25.3[10]**

10. The Fund can invest a maximum of 45% offshore. Market movements 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.

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Fund manager quarterly commentary as at 31 March 2022

The Fund returned 1.9% for the quarter, worse than the benchmark, which gave 4.4%. The foreign portion of the Fund returned a negative 9.5% in rands, compared with negative 13.1% for the MSCI World Index.

For technology investors, the mood has shifted from euphoria to caution. This can be seen most easily in the performance of stocks like Peloton, which sells exercise bikes connected to the internet, and which is down 84% in US dollars from its peak a little over a year ago. Other technology darlings like Zoom, Delivery Hero, and Beyond Meat are all down more than 70% from their respective peak dollar share prices. In most instances, the fundamentals have not changed that much. Delivery Hero, for example, reported slightly worse guidance for 2022 than what analysts had been hoping for – which hardly seems like a sufficient reason for the stock to lose nearly EUR10bn of value. The change in sentiment seems to be the overriding factor.

Chinese technology companies have also suffered: From their respective peaks, Meituan, Pinduoduo, JD.com, Alibaba, and Tencent have all lost more than 40% of their value in dollars. The fall in Tencent has affected Naspers, which is down 57% from its 2021 rand peak. And this during a time when almost every other large stock on our market delivered a positive return.

The foreign portion of the Fund, which is managed by Orbis, has some technology exposure through Naspers, NetEase, and Taiwan Semiconductor. But it has been underweight US technology for some time now, and this has contributed to the positive relative performance of the foreign portion this quarter.

The technology sell-off is a reminder that when you pay a high price for a business, you had better be right about its growth prospects. We are all imperfect forecasters, and it's not always so obvious in advance which companies are going to change the world, which are going to compound for 20 years, and which are going to be outcompeted. As an investor, you can reduce your odds of losing money by being careful not to pay too high a price for growth, especially during times of very positive sentiment.

Technology stocks are now a large part of the global universe. There is a lot of money to be gained or lost in this sector, and getting the exposure right is one of Orbis' top priorities. But for South African investors, a large portion of the stocks in our universe are directly or indirectly exposed to China, and getting this call right is crucially important. The Fund has been underweight commodities, especially iron ore producers and Richemont, in order to limit exposure to China over the past few years. Large global stocks like British American Tobacco and AB InBev, that are in our top 10 and have very little exposure to China, should hold their value and protect the portfolio against Chinese setbacks.

During the quarter, the Fund bought Reinet and Thungela, and sold Impala Platinum and Standard Bank.

Commentary contributed by Jacques Plaut

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Allan Gray is an authorised financial services provider.

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.

MSCI Index

Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indexes or any securities or financial products. This report is not approved, endorsed, reviewed or produced by MSCI. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.

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.

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).

Foreign exposure

This fund may invest in foreign funds managed by Orbis Investment Management Limited, our offshore investment partner.

FTSE/JSE All Share Index and FTSE/JSE Capped Shareholder Weighted All Share Index

The FTSE/JSE All Share Index and FTSE/JSE Capped Shareholder Weighted All Share Index are calculated by FTSE International Limited ("FTSE") in conjunction with the JSE Limited ("JSE") in accordance with standard criteria. The FTSE/JSE All Share Index and FTSE/JSE Capped Shareholder Weighted All Share Index are the proprietary information of FTSE and the JSE. All copyright subsisting in the values and constituent lists of the FTSE/JSE All Share Index and FTSE/JSE Capped Shareholder Weighted All Share Index vests in FTSE and the JSE jointly. All their rights are reserved.

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**

Allan Gray Balanced Fund

30 April 2022

Fund description and summary of investment policy

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 unit trust that complies with retirement fund investment limits
- Typically have an investment horizon of more than three years

Minimum investment amounts*

Initial lump sum per investor account	R50 000
Additional lump sum	R1 000
Debit order**	R1 000

*Lower minimum investment amounts apply for investments in the name of an investor younger than 18. Please refer to our website for more information.

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

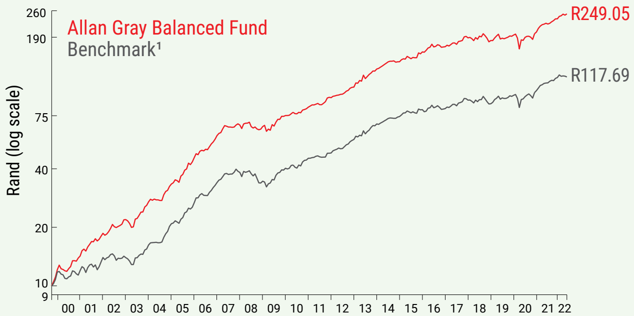
Fund information on 30 April 2022

Fund size	R159.5bn
Number of units	556 301 741
Price (net asset value per unit)	R128.71
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 April 2022. From inception to 31 January 2013 the benchmark was the market value-weighted average return of the funds in both the Domestic Asset Allocation Medium Equity and Domestic Asset Allocation Variable Equity sectors of the previous ASISA Fund Classification Standard, excluding the Allan Gray Balanced Fund. Source: Micropal.
2. This is based on the latest available numbers published by IRESS as at 31 March 2022.
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 30 April 2006 and the benchmark's occurred during the 12 months ended 30 April 2006. 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 28 February 2009. 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 October 1999)	2390.5	1076.9	234.9
Annualised:			
Since inception (1 October 1999)	15.3	11.5	5.5
Latest 10 years	10.1	8.7	5.0
Latest 5 years	7.1	6.7	4.3
Latest 3 years	8.3	7.8	4.4
Latest 2 years	16.6	14.3	4.6
Latest 1 year	12.9	7.9	5.9
Year-to-date (not annualised)	3.0	-2.4	2.4
Risk measures (since inception)			
Maximum drawdown[3]	-25.4	-23.3	n/a
Percentage positive months[4]	69.7	67.9	n/a
Annualised monthly volatility[5]	9.5	9.3	n/a
Highest annual return[6]	46.1	41.9	n/a
Lowest annual return[6]	-14.2	-16.7	n/a

Meeting the Fund objective

The Fund has created wealth for its long-term investors. Since inception and over the latest 10- and five-year periods, the Fund has outperformed its benchmark. The Fund experiences periods of underperformance in pursuit of its objective of creating long-term wealth for investors, without taking on greater risk of loss than the average balanced fund.

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.	30 Jun 2021	31 Dec 2021
Cents per unit	93.3008	159.5677

Annual management fee

Allan Gray charges a fee based on the net asset value of the Fund excluding the portion invested in Orbis funds. The fee rate is calculated daily by comparing the Fund's total performance over the last two years, to that of the benchmark.

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

For each percentage of two-year performance above or below the benchmark we add or deduct 0.1%, subject to the following limits:

Maximum fee: 1.50% p.a. excl. VAT
Minimum fee: 0.50% p.a. excl. VAT

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

A portion of the Fund may be invested in Orbis funds. Orbis charges performance-based fees within these funds that are calculated based on each Orbis fund's performance relative to its own benchmark. 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 31 March 2022 (SA and Foreign) (updated quarterly)[7]

Company	% of portfolio
British American Tobacco	6.0
Glencore	5.2
Naspers[8]	4.3
Nedbank	2.8
Woolworths	2.6
Sasol	2.6
Remgro	2.4
Sibanye-Stillwater	2.1
AB Inbev	2.1
Standard Bank	1.8
Total (%)	**31.7**

Asset allocation on 30 April 2022[7]

Asset class	Total	South Africa	Africa ex-SA	Foreign ex-Africa
Net equities	71.5	52.1	3.1	16.2
Hedged equities	7.0	2.0	0.0	5.0
Property	1.1	0.8	0.0	0.3
Commodity-linked	3.0	2.3	0.0	0.7
Bonds	12.8	9.4	1.5	2.0
Money market and bank deposits	4.6	2.5	-0.1	2.3
Total (%)	**100.0**	**69.1**	**4.5**	**26.4**[9]

7. Underlying holdings of Orbis funds are included on a look-through basis.
8. Includes holding in stub certificates or Prosus N.V., if applicable.
9. The Fund can invest a maximum of 45% offshore. Market movements periodically cause the Fund to move beyond these limits. This must be corrected within 12 months.

Total expense ratio (TER) and transaction costs

TER and transaction costs breakdown for the 1- and 3-year period ending 31 March 2022	1yr %	3yr %
Total expense ratio	**1.04**	**0.93**
Fee for benchmark performance	1.02	1.05
Performance fees	-0.11	-0.25
Other costs excluding transaction costs	0.03	0.04
VAT	0.10	0.09
Transaction costs (including VAT)	**0.07**	**0.08**
Total investment charge	**1.11**	**1.01**

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

Minimum	(February 2000) 49.3%
Average	63.0%
Maximum	(May 2021) 72.9%

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

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Fund manager quarterly commentary as at 31 March 2022

For the quarter, the Fund returned 1.5%. This is relatively muted in absolute terms but better than the benchmark, which gave negative 1.5% for the quarter. Notably, the foreign portion of the Fund returned negative 6.6%, compared with a 60/40 benchmark return of negative 13.4%.

We have previously spoken about our significant underweight in US equities and our preference for depressed European, UK and emerging market equities in the offshore component. We have also had no exposure to developed world, long-dated sovereign bonds for some time, believing investors were taking on return-free risk by buying at generationally low interest rates. From early 2018 until the end of 2021, this positioning caused significant underperformance in the offshore component of our Fund, as US equities continued to outperform and yields on long-dated government bonds continued to compress, inflating bond prices.

However, with high commodity prices, inflation consistently above 5% in the US since June 2021 (7.9% as at the end of February 2022) and an overheating US economy, these trends have begun to reverse in 2022. Earlier this month, the Federal Reserve approved its first interest rate increase in more than three years and signalled its intention to keep hiking rates throughout 2022 and possibly into 2023. Year to date, the yield on 10-year government bonds in the US has increased from 1.5% to 2.3%, causing those same bonds to generate a negative return of 7.2% in US dollars. Higher interest rates have also meant higher discount rates, with a number of highly priced companies falling significantly and the S&P 500 down 4.6% in US dollars, year to date. Jacques Plaut discusses some of these movements in this quarter's Allan Gray Equity Fund commentary.

At this stage, we do not know whether global inflation will prove to be transitory or more persistent in nature. We do know that developed market government debt is at record levels and that the real yield on long-dated government bonds continues to be negative in many countries. We also know that the average earnings multiple one is paying for US equities remains high relative to history. As a result, we are of the view that we are at the early stages of this trend reversal and continue to see substantial upside in our offshore investments relative to overall global asset prices.

In contrast to global bond markets, the 10-year government bond in South Africa is providing real returns, with a benchmark rate now in the ballpark of 10% (real rate above 4%). The risks in South Africa are well known, but one is arguably being compensated for these higher risks at today's prices.

Following the Budget speech, the offshore investment limits for local unit trusts that are mandated to invest offshore, including those that comply with Regulation 28 of the Pension Funds Act, are increased to 45%. We continue to see significant value in our preferred JSE-listed equities, a number of which are global companies that happen to be listed in South Africa, and have not immediately reweighted our asset allocation positions as a result.

One such example is Glencore. Glencore produces and sells over 120 million tonnes of coal each year. Coal is arguably the dirtiest of fossil fuels, and we need to make a global effort to materially reduce our reliance on it over the next 30 to 40 years if we are to achieve our ambition of keeping climate change to a minimum. Glencore is not blind to this reality and has committed to responsibly winding down their mines over time and reinvesting the proceeds in more sustainable and greener metals. However, as it currently stands, many countries – emerging markets in particular – are reliant on coal for their primary energy needs. South Africa is no exception, with approximately 85% of our electricity continuing to be generated from coal.

Over the past few years, there has been huge pressure on companies to close and reduce investment into fossil fuel operations, coal in particular. In theory, this should drive a positive outcome from a climate change perspective.

Unfortunately, as a global society, we have been poor in terms of the speed and scale at which we have made greener alternatives a viable reality. As consumers are reluctant to reduce their overall energy needs, demand has remained sticky. With demand remaining elevated and supply under pressure, the coal price has rallied materially over the past 18 months. This has been exacerbated in the short term by COVID-19 supply disruptions and the events unfolding in Ukraine, with the related sanctions on Russian oil and gas.

It is important to note that a high coal price is favourable for Glencore's income statement in the short term, but it is also useful in the war against carbon emissions. That is because high prices reduce consumer demand and increase the incentive to produce and bring alternatives to market. There is a reasonable chance that the high prices we are seeing in fossil fuels today will ultimately accelerate their replacement by greener alternatives.

As a result, when valuing Glencore, we do not bake today's high coal prices into our valuation, and we place the coal business on a below-average multiple. However, what we believe the market fails to appreciate is just how important Glencore is to the energy transition. Glencore is one of the world's largest producers of zinc, cobalt, nickel and copper. The world will need to more than double its annual consumption of these four commodities as we scale up investments in electric vehicles, large-scale commercial batteries, wind and solar farms, and greater redundancy in electrical grids. At spot, the Glencore share price is discounting not only materially lower coal prices, but materially lower prices for these other commodities too. We like that risk-reward trade-off.

During the quarter, we bought Naspers, Prosus and AB InBev and sold Standard Bank.

Commentary contributed by Rory Kutisker-Jacobson

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Allan Gray is an authorised financial services provider.

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.

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. 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 a reasonable 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).

Foreign exposure

This fund may invest in foreign funds managed by Orbis Investment Management Limited, our offshore investment partner.

FTSE/JSE All Share Index

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

MSCI Index

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Important information for investors

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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**

Allan Gray Stable Fund

30 April 2022

Fund description and summary of investment policy

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 40%. The Fund's net equity exposure may be reduced from time to time using exchange-traded derivative contracts on stock market indices. 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 or a balanced fund.

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

Fund objective and benchmark

The Fund aims to provide a high degree of capital stability and to minimise the risk of loss over any two-year period, while producing long-term returns that are superior to bank deposits. The Fund's benchmark is the daily interest rate, as supplied by FirstRand Bank Limited, plus 2%.

How we aim to achieve the Fund's objective

A major portion of the Fund is typically invested in money market instruments. We seek to deploy the Fund's cash by investing in shares when they can be bought at a significant 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 allocate a low weight to shares or partially hedge the Fund's stock market exposure in consideration of the Fund's capital preservation objectives. The Fund may also invest in bonds, property and commodities. The Fund's bond and money market investments are actively managed.

Suitable for those investors who

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

Minimum investment amounts*

Initial lump sum per investor account	R50 000
Additional lump sum	R1 000
Debit order**	R1 000

*Lower minimum investment amounts apply for investments in the name of an investor younger than 18. Please refer to our website for more information.

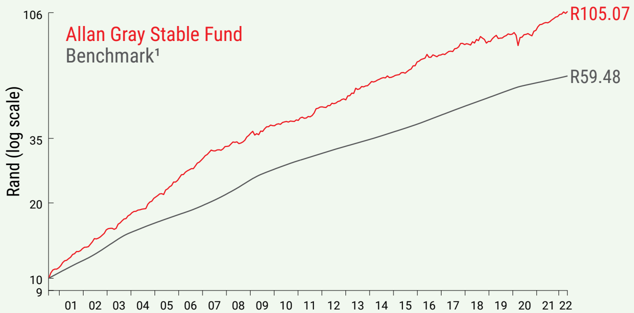
**Only available to investors with a South African bank account.

Fund information on 30 April 2022

Fund size	R48.5bn
Number of units	563 831 061
Price (net asset value per unit)	R40.67
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 (1 July 2000)	950.7	494.8	218.1
Annualised:			
Since inception (1 July 2000)	11.4	8.5	5.5
Latest 10 years	8.7	6.8	5.0
Latest 5 years	7.3	6.6	4.3
Latest 3 years	7.3	5.7	4.4
Latest 2 years	12.2	4.7	4.6
Latest 1 year	10.9	4.8	5.9
Year-to-date (not annualised)	2.7	1.7	2.4
Risk measures (since inception)			
Maximum drawdown[3]	-16.7	n/a	n/a
Percentage positive months[4]	77.9	100.0	n/a
Annualised monthly volatility[5]	5.2	0.7	n/a
Highest annual return[6]	23.3	14.6	n/a
Lowest annual return[6]	-7.4	4.6	n/a

1. The Fund's benchmark is the daily interest rate, as supplied by FirstRand Bank Limited plus 2%, performance as calculated by Allan Gray as at 30 April 2022.
2. This is based on the latest available numbers published by IRESS as at 31 March 2022.
3. Maximum percentage decline over any period. The maximum drawdown occurred from 20 January 2020 to 23 March 2020. Drawdown is calculated on the total return of the Fund (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 30 April 2006 and the benchmark's occurred during the 12 months ended 30 June 2003. 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 August 2021. All rolling 12-month figures for the Fund and the benchmark are available from our Client Service Centre on request.

Meeting the Fund objective

Since inception and over the latest 10- and five-year periods, the Fund has outperformed its benchmark. The Fund has provided returns in excess of CPI inflation for all three periods. The Fund aims to minimise the risk of loss over any two-year period.

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 quarterly.	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022
Cents per unit	23.6459	36.4990	25.2260	25.7330

Annual management fee

Allan Gray charges a fee based on the net asset value of the Fund excluding the portion invested in Orbis funds. The fee rate is calculated daily by comparing the Fund's total performance over the last two years, to that of the benchmark. If the Fund's return over two years is equal to or less than 0%, Allan Gray will not charge a fee.

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

For each percentage of two-year performance above or below the benchmark we add or deduct 0.1%, subject to the following limits:

Maximum fee: 1.50% p.a. excl. VAT
Minimum fee: 0.50% p.a. excl. VAT

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

A portion of the Fund may be invested in Orbis funds. Orbis charges performance-based fees within these funds that are calculated based on each Orbis fund's performance relative to its own benchmark. 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 31 March 2022 (SA and Foreign) (updated quarterly)[8]

Company	% of portfolio
British American Tobacco	2.7
Glencore	2.7
Nedbank	1.8
Standard Bank	1.7
Sasol	1.6
Sibanye-Stillwater	1.6
Naspers[9]	1.5
AngloGold Ashanti	1.3
Woolworths	1.3
Remgro	1.3
Total (%)	**17.6**

7. All credit exposure 1% or more of portfolio.
8. Underlying holdings of Orbis funds are included on a look-through basis.
9. Includes holding in stub certificates or Prosus N.V., if applicable.

Total expense ratio (TER) and transaction costs

TER and transaction costs breakdown for the 1- and 3-year period ending 31 March 2022	1yr %	3yr %
Total expense ratio	**1.45**	**0.99**
Fee for benchmark performance	1.00	1.03
Performance fees	0.26	-0.17
Other costs excluding transaction costs	0.03	0.03
VAT	0.16	0.10
Transaction costs (including VAT)	**0.05**	**0.06**
Total investment charge	**1.50**	**1.05**

Top credit exposures on 31 March 2022 (SA and Foreign) (updated quarterly)[7,8]

Issuer	% of portfolio
Republic of South Africa	17.3
FirstRand Bank	6.1
Citibank London	2.5
Standard Bank (SA)	5.2
Investec Bank	2.9
Northam Platinum	2.1
Nedbank	1.7
Total (%)	**37.9**

Asset allocation on 30 April 2022[8]

Asset class	Total	South Africa	Africa ex-SA	Foreign ex-Africa
Net equities	37.1	27.6	2.3	7.2
Hedged equities	11.9	2.9	0.0	8.9
Property	1.2	1.0	0.0	0.2
Commodity-linked	2.9	2.3	0.0	0.5
Bonds	33.7	27.0	3.2	3.6
Money market and bank deposits	13.3	7.5	-0.1	5.9
Total (%)	**100.0**	**68.3**	**5.4**	**26.3**[10]

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

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

Minimum	(January 2010) 12.4%[8]
Average	26.4%
Maximum	(December 2018) 39.6%

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

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Fund manager quarterly commentary as at 31 March 2022

Russia invaded Ukraine during the quarter. This led to heightened volatility in global markets as investors processed the event and tried to forecast the potential knock-on effects. Increased global tensions and rising inflation have the potential to derail the global economy's recovery. The Allan Gray Stable Fund is well diversified and delivered a return of 0.9% over the past quarter.

As South Africans, we are used to moderate levels of inflation as a feature of daily life. For developed markets, this has not been the case in recent times. For example, in the US, consumer inflation from 2009 to 2020 averaged only 1.6% and rarely exceeded 2.5%. Inflation started to increase meaningfully during 2021 and the most recent annualised US inflation numbers are above 7%. Only some of this is explained by a higher oil price; more important are unusually stimulative monetary and fiscal policies as well as supply chain constraints. High global inflation will feed into higher local inflation, with specific contributions from higher prices for commodities such as wheat and oil.

Inflation is often the biggest risk to conservative investors. Investments in "safe" instruments such as cash or bonds have a low risk of capital loss but offer no protection against inflation, which erodes the purchasing power of each rand. Investments in shares may feel less safe in the short term due to higher volatility and the possibility of capital loss but provide greater protection against inflation over the long term. Most companies have some ability to raise prices or own assets which maintain their value as prices rise.

The Fund uses a combination of investments in shares, bonds, cash and other instruments to construct a portfolio which should do well in most scenarios without taking undue risks. The Fund can also use an offshore allocation, which partially buffers against a fall in the value of South African assets or the rand.

It is worth reviewing the aims of the Fund:

- To achieve a high degree of capital stability;
- To minimise the risk of loss over any two-year period; and
- To produce long-term returns that are better than bank deposits and inflation.

The Fund remains well positioned to take advantage of opportunities, including those in the South African market where many companies still trade on reasonable valuations. Positions in cash, fixed income, hedged equities, commodities and offshore assets provide some balance to the volatility of equity markets. South Africa faces serious macro challenges, but buyers of South African bonds are well compensated for these risks. The Fund maintains a relatively conservative fixed income position. Inflation-linked bonds provide some protection against rising inflation.

Following announcements in the recent Budget speech, the South African Reserve Bank has confirmed that the offshore investment limits for local unit trusts that are mandated to invest offshore, including those that comply with the retirement fund regulations (Regulation 28 of the Pension Funds Act), are increased to 45%. As always, decisions regarding the Fund's level of offshore exposure will continue to be made according to our assessment of where the best value can be found over the long term.

Since the beginning of the COVID-19 pandemic, at the start of 2020, the Fund has delivered an annualised return of 8.5%, compared to the benchmark of 5.0% and inflation of 4.6%.

Commentary contributed by Tim Acker

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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.

Fees

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Total expense ratio (TER) and transaction costs

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Compliance with Regulation 28

The Fund is managed to comply with Regulation 28 of the Pension Funds Act 24 of 1956. 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 a reasonable 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).

Foreign exposure

This fund may invest in foreign funds managed by Orbis Investment Management Limited, our offshore investment partner.

FTSE/JSE All Share Index and FTSE/JSE All Bond Index

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

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Allan Gray Optimal Fund

30 April 2022

Fund description and summary of investment policy

The Fund invests mainly in selected shares and it uses exchange-traded derivative contracts on stock market indices to substantially reduce its net equity exposure to within a range of 0-20%. As a result, the Fund's return depends on the level of short-term interest rates (implicit in the pricing of the sold futures contracts) and the performance of the Fund's selected shares relative to the stock market index. The Fund's return is therefore unlikely to be correlated with equity market returns. In addition, a portion of the Fund is typically invested in cash and margin deposits.

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

Fund objective and benchmark

The Fund aims to provide investors with long-term positive returns higher than those available in the money market sector, irrespective of stock market returns. The Fund's benchmark is the daily interest rate as supplied by FirstRand Bank Limited.

How we aim to achieve the Fund's objective

The Fund invests in selected shares and seeks to substantially reduce stock market risk by selling exchange-traded equity index derivatives. The selected share portfolio is derived from our thorough research process, but the selection of equities in this Fund may differ from that in the other Allan Gray funds. The deviation of the Fund's selected share portfolio from the composition of the underlying benchmark indices (on which the derivative contracts are based) is restricted and closely monitored. This does not eliminate the risk of capital loss should the selected equities underperform.

Suitable for those investors who

- Seek absolute (i.e. positive) returns regardless of stock market trends
- Require a high degree of capital stability over a 3-year time horizon
- Wish to invest in a product that offers uncorrelated returns relative to shares or bonds as a 'building block' in a diversified multi-asset class portfolio

Minimum investment amounts*

Initial lump sum per investor account	R50 000
Additional lump sum	R1 000
Debit order**	R1 000

*Lower minimum investment amounts apply for investments in the name of an investor younger than 18. Please refer to our website for more information.

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

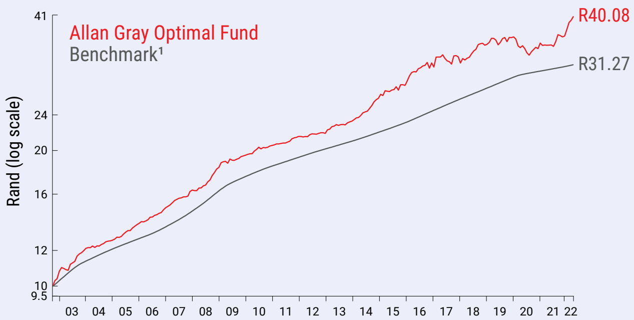
Fund information on 30 April 2022

Fund size	R0.9bn
Number of units	23 016 472
Price (net asset value per unit)	R24.93
Class	A

1. The daily interest rate as supplied by FirstRand Bank Limited (source: FirstRand Bank), performance as calculated by Allan Gray as at 30 April 2022.
2. This is based on the latest available numbers published by IRESS as at 31 March 2022.
3. Maximum percentage decline over any period. The maximum drawdown occurred from 6 February 2020 to 15 September 2020. Drawdown is calculated on the total return of the Fund (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 30 September 2003 and the benchmark's occurred during the 12 months ended 30 September 2003. The Fund's lowest annual return occurred during the 12 months ended 31 August 2020 and the benchmark's occurred during the 12 months ended 30 November 2021. 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 October 2002)	300.8	212.7	169.3
Annualised:			
Since inception (1 October 2002)	7.3	6.0	5.2
Latest 10 years	6.4	4.7	5.0
Latest 5 years	4.3	4.5	4.3
Latest 3 years	3.9	3.6	4.4
Latest 2 years	8.4	2.7	4.6
Latest 1 year	16.1	2.7	5.9
Year-to-date (not annualised)	10.7	1.0	2.4
Risk measures (since inception)			
Maximum drawdown[3]	-10.2	n/a	n/a
Percentage positive months[4]	75.7	100.0	n/a
Annualised monthly volatility[5]	4.1	0.6	n/a
Highest annual return[6]	18.1	11.9	n/a
Lowest annual return[6]	-8.2	2.5	n/a

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Meeting the Fund objective

Since inception and over the latest 10-year period, the Fund has outperformed its benchmark, which is the daily interest rate supplied by FirstRand Bank Limited. Over the latest five-year period the Fund has underperformed its benchmark. The Fund aims to deliver long-term positive returns, irrespective of stock market returns.

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.	30 Jun 2021	31 Dec 2021
Cents per unit	**15.6876**	**35.9602**

Annual management fee

The fee rate is calculated daily by comparing the Fund's total performance to that of the benchmark.

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

The Fund is first required to recover any underperformance before a fee higher than the fee for performance equal to the benchmark can be charged. This is known as a high watermark. If the Fund's performance is above its previous high watermark, we add 0.2% to the fee for each percentage of performance above the high watermark. The fee is uncapped.

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 31 March 2022 (updated quarterly)

Company	% of portfolio
Glencore	6.3
Sasol	6.0
Standard Bank	6.0
Nedbank	5.2
Sibanye-Stillwater	4.7
MTN	4.2
Gold Fields	4.2
AngloGold Ashanti	3.9
Impala Platinum	3.8
British American Tobacco	2.8
Total (%)	**47.0**

Asset allocation on 30 April 2022

Asset class	Total
Net equities	3.8
Hedged equities	77.9
Property	1.6
Commodity-linked	0.0
Bonds	0.0
Money market and bank deposits	16.8
Total (%)	**100.0**

Total expense ratio (TER) and transaction costs

TER and transaction costs breakdown for the 1- and 3-year period ending 31 March 2022	1yr %	3yr %
Total expense ratio	**1.18**	**1.18**
Fee for benchmark performance	1.00	1.00
Performance fees	0.00	0.00
Other costs excluding transaction costs	0.03	0.03
VAT	0.15	0.15
Transaction costs (including VAT)	**0.16**	**0.11**
Total investment charge	**1.34**	**1.29**

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

Minimum	(September 2016) -3.6%[7]
Average	4.9%
Maximum	(November 2018) 15.4%

7. The negative net equity exposure as at 30 September 2016 is due to the cash acquisition of SABMiller by Anheuser-Busch In-Bev. This was corrected and the Fund had a positive net equity exposure by 4 October 2016.

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

Fund manager quarterly commentary as at 31 March 2022

The Fund has had a decent start to the year, returning 8.5% for the quarter, outperforming its cash benchmark by 7.8%. After a strong prior year, the FTSE/JSE All Share Index (ALSI) has begun 2022 in a more muted fashion, with a 3.8% return year to date. As a reminder though, it is the selection of individual shares, rather than the overall level of the market, that drives the Fund's performance. This stock selection process contributed to the Fund's return during the quarter.

Russia's invasion of Ukraine continues to overshadow all else. Many of the market themes that served the Fund well in 2021 carried over to this year and, if anything, were exacerbated by the outbreak of the conflict in late February. Firstly, the Fund has been overweight resources for some time, particularly oil (via Sasol), coal (via Glencore) and platinum group metal (PGM) miners. Russia is a key producer of these commodities. Supply uncertainty, either from sanctions (or the threat thereof) or rising resource nationalism, has pushed most commodity prices materially higher. While this is clearly beneficial in the near term for producers, we are cognisant of the potential impacts arising from possible demand destruction and any general slowdown in economic activity that may follow. As share prices rallied, we trimmed some cyclical resources exposure (mainly PGM miners) in favour of more defensive rand hedges.

Secondly, the Fund has meaningful exposure to domestically focused companies. Many of these companies' business activities and share prices have continued on the post-COVID-19 recovery path from overly depressed levels. For example, local banks recently reported results that came in well above expectations. The promise of rising rates, in response to increased inflation, and the view that the worst impacts of the pandemic have now passed, serve as additional tailwinds. Select local shares, particularly those favoured by foreign investors, are also benefiting to some degree from the fallout from the Western sanctions placed on Russia.

Historically, Russian stocks carried a material weight in emerging market indices, implying foreign investment flows are now likely to be directed towards more palatable markets, such as our own. In our view, this is supported by relative valuation levels, where the ALSI screens attractively versus both developed and emerging market peers.

Lastly, the low weighting to Naspers/Prosus that the Fund has maintained for some time was a significant contributor to performance this quarter. Multiple factors have weighed on the share, some perhaps more temporary than others. The Chinese regulatory overhang and its accompanying impact on the technology sector has not fully dissipated, made evident in Tencent's weak recent results. At the same time, global technology stocks have come under pressure, with valuation multiples compressing considerably, particularly for companies that remain loss-making. This has, in turn, impacted the market valuation of the Naspers "rump" assets. And then to compound matters, with specific reference to Tencent, the US and Europe's response to Russia's actions has brought scenarios that were previously viewed as tail risks for investors in Chinese assets increasingly into focus.

The volatility we have witnessed over the quarter, while unsettling, does create opportunities for potential outperformance. One such example is Mondi which, owing to its Russian paper and packaging business, has come under substantial pressure and now trades below our assessment of its intrinsic value, even if no value is attributed to its Russian assets.

During the quarter, the Fund sold Naspers/Prosus, PGM miners and MTN. Alongside Mondi, we initiated new positions in AB InBev and Pick n Pay and added to our holdings in select gold miners.

Commentary contributed by Sean Munsie

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Allan Gray has taken and will continue to take care that all information provided, in so far as this is under its control, is true and correct. However, Allan Gray shall not be responsible for and therefore disclaims any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable, directly or indirectly, to the use of or reliance on any information provided.

Allan Gray is an authorised financial services provider.

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.

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).

FTSE/JSE All Share Index

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Allan Gray Bond Fund

30 April 2022

Fund description and summary of investment policy

The Fund invests in South African interest bearing securities. Securities include national government, parastatal, municipal, corporate bonds and 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 get 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

Minimum investment amounts*

Initial lump sum per investor account	R50 000
Additional lump sum	R1 000
Debit order**	R1 000

*Lower minimum investment amounts apply for investments in the name of an investor younger than 18. Please refer to our website for more information.

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

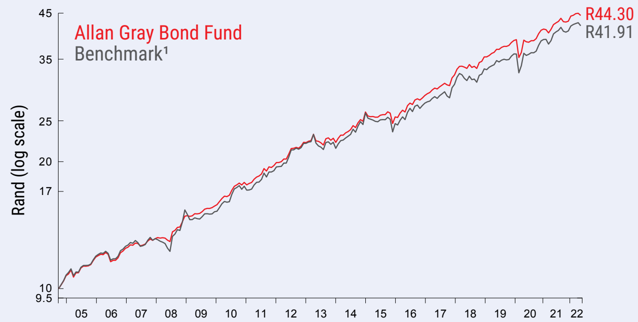
Fund information on 30 April 2022

Fund size	R6.5bn
Number of units	567 650 694
Price (net asset value per unit)	R10.73
Modified duration	5.8
Gross yield (before fees)	10.0
Class	A

1. FTSE/JSE All Bond Index (source: IRESS), performance as calculated by Allan Gray as at 30 April 2022.
2. This is based on the latest available numbers published by IRESS as at 31 March 2022.
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 31 January 2015 and the benchmark's occurred during the 12 months ended 31 January 2015. The Fund's lowest annual return 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.

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 October 2004)	343.0	319.1	155.8
Annualised:			
Since inception (1 October 2004)	8.8	8.5	5.5
Latest 10 years	8.1	7.8	5.0
Latest 5 years	8.5	8.2	4.3
Latest 3 years	7.1	7.6	4.4
Latest 2 years	10.6	11.5	4.6
Latest 1 year	7.8	8.4	5.9
Year-to-date (not annualised)	0.3	0.1	2.4
Risk measures (since inception)			
Maximum drawdown[3]	-18.9	-19.3	n/a
Percentage positive months[4]	72.0	68.7	n/a
Annualised monthly volatility[5]	5.8	7.4	n/a
Highest annual return[6]	18.0	21.2	n/a
Lowest annual return[6]	-2.6	-5.6	n/a

Meeting the Fund objective

Since inception and over the latest 10- and five-year periods, the Fund has outperformed 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.

Income distributions for the last 12 months

Actual payout, the Fund distributes quarterly	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022
Cents per unit	22.9999	23.8985	24.6430	23.9256

Annual management fee

A fixed fee of 0.5% p.a. excl. VAT

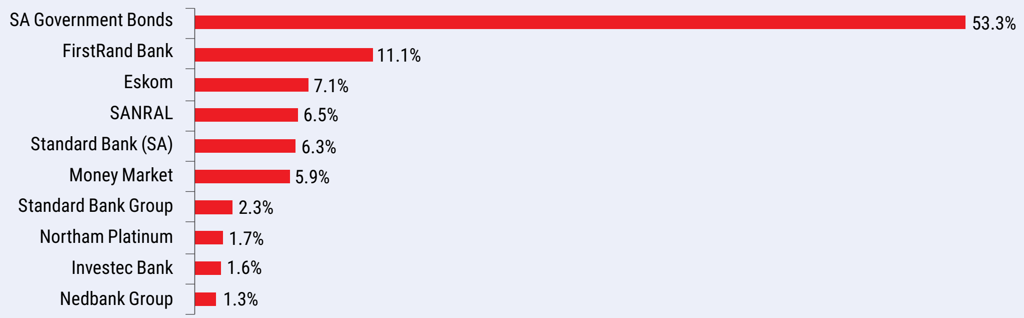
Total expense ratio (TER) and transaction costs

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.

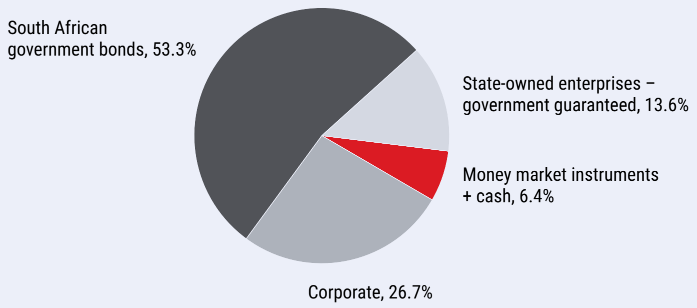
TER and transaction costs breakdown for the 1- and 3-year period ending 31 March 2022	1yr %	3yr %
Total expense ratio	**0.39**	**0.47**
Fee for benchmark performance*	0.33	0.28
Performance fees*	0.00	0.12
Other costs excluding transaction costs	0.01	0.01
VAT	0.05	0.06
Transaction costs (including VAT)	**0.00**	**0.00**
Total investment charge	**0.39**	**0.47**

*On 1 December 2021, the Fund's annual management fee changed from the previous performance-based fee to the current fixed fee of 0.5% p.a. excl. VAT.

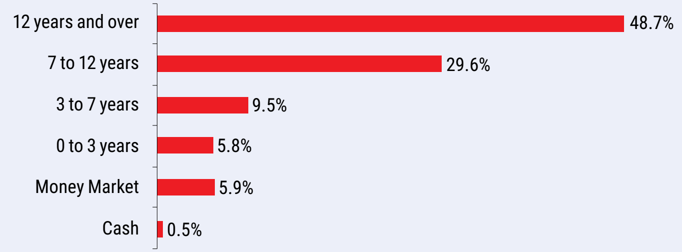
Top 10 credit exposures on 30 April 2022



Asset allocation on 30 April 2022



Maturity profile on 30 April 2022



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

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Fund manager quarterly commentary as at 31 March 2022

The narrative about inflation being transitory – a common refrain among major central banks during the pandemic recovery period – has decisively been put to rest. Developed country policymakers are increasingly waking up to the reality of persistently higher prices, and this has been a rude awakening: US inflation reached 40-year highs in February, printing at a whopping 7.9%. During the quarter, the Federal Reserve ended its asset purchase programme and embarked on its first rate hike of 25 basis points. The Bank of England implemented its third rate hike in a row, while the European Central Bank announced the winding down of asset purchases from the end of March.

If the major central banks were still in bed recovering from the rude inflationary wake-up call, then Russia's invasion of Ukraine must have been akin to being splashed with a bucket of ice cold water. The sanctions imposed on Russia resulted in the oil price touching US$140 per barrel, the highest since 2008. The conflict has also affected global food prices, given that Russia and Ukraine are large wheat exporters. The sad reality is that the conflict has not only resulted in unjustifiable human suffering and loss of life in Ukraine but has also exported economic pain to the rest of the world through higher food and fuel prices, which have a particularly harmful effect on people in developing countries.

The domestic environment has been rather tame compared to the upheaval observed in other parts of the world. The South African Reserve Bank implemented two 25 basis point rate hikes in a bid to normalise monetary policy and contain inflation that is hovering just below the 6% upper bound. February saw Finance Minister, Enoch Godongwana, deliver his maiden Budget speech. It was a bullish budget due to revenue overshooting relative to the upwardly revised November estimates, largely owing to the continued outperformance of commodities.

Some of this extra revenue was used to extend the COVID-19 Social Relief of Distress grant for another year. The Budget also pencilled in minimal salary increases for civil servants and made no provision for new bailouts of state-owned enterprises (SOEs) – these two items have been leading threats to fiscal sustainability in recent years. In a final boost to the fiscus, the Constitutional Court exonerated the government from having to make good on the final year of a previous wage deal, which the government had reneged on due to affordability concerns.

Credit spreads in the domestic market appear to have stabilised at low levels. Furthermore, more and more auctions have been clearing towards the top end of guidance – another indicator of the potential end of the spread contraction seen over the past few years. Notable issuances came from Fortress REIT, which privately placed sustainability-linked bonds worth R1.3bn, and Transnet, which held its first auction in several years, raising a total of R2bn.

During the quarter, we switched from short-dated to long-dated FirstRand senior bonds, sold low-yielding Standard Bank and MTN paper, and added duration ahead of what we anticipated would be a positive budget. Half of the Fund is invested in liquid, long-dated government bonds, which are offering good value at current yields. This is balanced against bank bonds, other fixed rate credit, floating rate notes and inflation-linked bonds – all of which tend to be defensive during bouts of risk aversion. The Fund's modified duration is 0.6 years less than that of the FTSE/JSE All Bond Index.

Commentary contributed by Londa Nxumalo

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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 yield is current, calculated as at month-end.

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

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Compliance with Regulation 28

The Fund is managed to comply with Regulation 28 of the Pension Funds Act 24 of 1956. 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 a reasonable 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).

FTSE/JSE All Bond Index

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Allan Gray Money Market Fund

30 April 2022

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 – 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 Alexander Forbes Short Term Fixed Interest (STeFI) Composite 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

Minimum investment amounts*

Initial lump sum per investor account	R50 000
Additional lump sum	R1 000
Debit order**	R1 000

*Lower minimum investment amounts apply for investments in the name of an investor younger than 18. Please refer to our website for more information.

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

Fund information on 30 April 2022

Fund size	R24.0bn
Number of units	22 324 700 744
Price (net asset value per unit)	R1.00
Monthly yield at month end	0.40
Fund weighted average coupon (days)	88.87
Fund weighted average maturity (days)	114.73
Class	A

1. The current benchmark is the Alexander Forbes Short Term Fixed Interest (STeFI) Composite Index. Since inception to 31 March 2003, the benchmark was the Alexander Forbes 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, performance as calculated by Allan Gray as at 30 April 2022.
2. This is based on the latest available numbers published by IRESS as at 31 March 2022.
3. 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 distribution for the last 12 months

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

May 2021	June 2021	July 2021	Aug 2021
0.35	0.34	0.35	0.36
Sept 2021	Oct 2021	Nov 2021	Dec 2021
0.35	0.36	0.36	0.38
Jan 2022	Feb 2022	Mar 2022	Apr 2022
0.38	0.36	0.40	0.40

Performance net of all fees and expenses

% Returns	Fund	Benchmark[1]	CPI inflation[2]
Cumulative:			
Since inception (1 July 2001)	365.8	349.7	199.4
Annualised:			
Since inception (1 July 2001)	7.7	7.5	5.4
Latest 10 years	6.4	6.1	5.0
Latest 5 years	6.5	6.0	4.3
Latest 3 years	5.6	5.2	4.4
Latest 2 years	4.7	4.2	4.6
Latest 1 year	4.5	4.0	5.9
Year-to-date (not annualised)	1.6	1.4	2.4
Risk measures (since inception)			
Percentage positive months	100.0	100.0	n/a
Annualised monthly volatility	0.6	0.6	n/a
Highest annual return[3]	12.8	13.3	n/a
Lowest annual return[3]	4.3	3.8	n/a

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Meeting the Fund objective

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

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.

TER and transaction costs breakdown for the 1- and 3-year period ending 31 March 2022	1yr %	3yr %
Total expense ratio	**0.29**	**0.29**
Fee for benchmark performance	0.25	0.25
Performance fees	0.00	0.00
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**

Exposure by issuer on 30 April 2022

	% of portfolio
Corporates	**10.6**
Pick 'n Pay	2.8
Shoprite	2.7
Sanlam	2.4
AVI	1.7
MTN	0.5
Mercedes-Benz	0.4
Banks[4]	**69.8**
Standard Bank	19.4
Nedbank	16.9
Absa Bank	15.5
Investec Bank	15.1
FirstRand Bank	3.0
Government	**19.6**
Republic of South Africa	19.6
Total (%)	**100.0**

4. Banks include negotiable certificates of deposit (NCDs), fixed deposits and call deposits.

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

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Fund manager quarterly commentary as at 31 March 2022

In my December 2021 Money Market Fund commentary, I wrote that global inflation was *on fire*. Given the tremendous moves that we have witnessed in international commodity and energy markets subsequently, I must concede that either this phrase was regrettably hyperbolic, or I must refer to current global inflation as having ventured into an inferno. In the first quarter of this year, the prices of oil, gas and wheat had each risen at their respective peaks by close to 70%. The Russia-Ukraine war not only took a giant of the exporting industry out of the market but also further disrupted global supply chains in a range of commodities like fertiliser, maize, grains, palm oil, palladium, oil and gas. Uncertainty about the duration and severity of the war has sparked debates around food security, famine and rioting, particularly in vulnerable economies. In many markets, the cost of a tank of fuel is rising many multiples faster than the pace of wages.

During prior periods of high inflation, money market investments have only offered good value if central banks have raised rates by the necessary quantum to offer real, positive, inflation-adjusted returns. During the 1980s, when the chairman of the US Federal Reserve (the Fed) at the time, Paul Volcker, raised US interest rates to a peak of 20% to combat inflation of 14.8%, one could say that money market investments offered real returns. Volcker stamped out inflation and defended the dollar by taking the US economy into severe austerity. This was not simply boldness on Volcker's part but also the fact that US debt to GDP sat at around 40% – rates could be raised without bankrupting the system.

Where does the world find itself now? US interest rates are projected to rise to circa 2.3% by the end of the year. If one contrasts this against current US consumer inflation of 7.9%, the real inflation-adjusted return is negative 5.6%.

The Fed and various developed market central banks have fallen so far behind the inflationary curve that whether they move by 25 or 50 basis points at each of the next few meetings may be of little consequence if the terminal interest rates they arrive at are too low. Despite Fed chairman Jerome Powell attesting to the fact that he will do *whatever it takes* to contain inflation, we must face the uncomfortable truth that with US debt to GDP sitting north of 130%, to pull a "Volcker" might mean bankrupting the system, making it far less likely that such boldness is favoured.

While locally the SA repo rate has risen to 4.25%, the Fund's weighted-average yield is north of 5%. This is not a terrible proposition for savers with a low risk tolerance when contrasted against South Africa's February inflation of 5.7% year-on-year – especially if one considers the deeply negative real interest rates on offer offshore. That said, investors with a higher risk appetite should consider a diversified multi-asset fund investment with at least some equity exposure and inflation protection.

This quarter, the Fund raised its weighted-average yield to above 5%. The SA money market curve, as measured by the difference between the overnight repo rate and one-year deposits, is the steepest on record since 1998. The market has priced in a very quick and aggressive rate hiking cycle. As such, current one-year bank deposit rates at 6.35% are close to the terminal repo rate the South African Reserve Bank's quarterly projection model aims to arrive at in 2024. Given these dynamics, the Fund has begun to reinvest maturing deposits and treasury bills into one-year bank paper above 6.30%.

Commentary contributed by Thalia Petousis

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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. 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.

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

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. 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 a reasonable 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).

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**

Allan Gray-Orbis Global Equity Feeder Fund

30 April 2022

Fund description and summary of investment policy

The Fund is a feeder fund and invests only in the Orbis Global Equity Fund, managed by Allan Gray's offshore investment partner, Orbis Investment Management Limited. The Orbis Global Equity Fund is designed to be exposed to all of the risks and rewards of selected global shares. Returns are likely to be volatile, especially over short- and medium-term periods. Although the Fund's investment universe is global, the units in the Fund are priced and traded daily in rands.

ASISA unit trust category: Global – Equity – General

Fund objective and benchmark

The Fund aims to outperform global stock markets over the long term, without taking on greater risk. Its benchmark is the FTSE World Index, including income.

How we aim to achieve the Fund's objective

The Fund invests only in the Orbis Global Equity Fund. The Orbis Global Equity Fund is designed to be exposed to all of the risks and rewards of selected global shares. Orbis uses in-house research to identify companies around the world whose shares can be purchased for less than Orbis' assessment of their long-term intrinsic value. This long-term perspective enables Orbis 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. This is the same approach as that used by Allan Gray to invest in South African equities, except that Orbis is able to choose from many more shares, listed internationally.

Suitable for those investors who

- Seek exposure to diversified international equities to provide long-term capital growth
- Wish to invest in international assets without having to personally expatriate rands
- Are comfortable with global stock market and currency fluctuation and risk of capital loss
- Typically have an investment horizon of more than five years
- Wish to use the Fund as a global equity 'building block' in a diversified multi-asset class portfolio

Minimum investment amounts*

Initial lump sum per investor account	R50 000
Additional lump sum	R1 000
Debit order**	R1 000

*Lower minimum investment amounts apply for investments in the name of an investor younger than 18. Please refer to our website for more information.

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

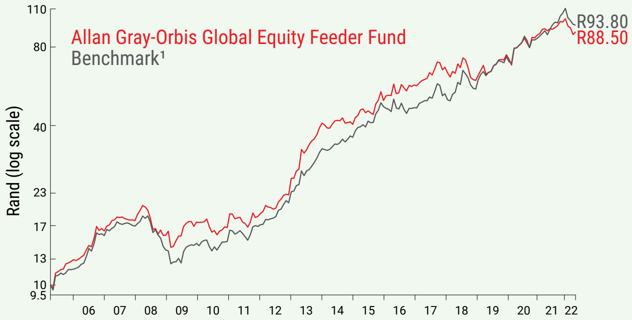
Fund information on 30 April 2022

Fund size	R23.4bn
Number of units	265 822 864
Price (net asset value per unit)	R88.07
Class	A

1. FTSE World Index including income (source: Bloomberg), performance as calculated by Allan Gray as at 30 April 2022. Effective 14 May 2020, the Orbis Global Equity Fund's benchmark changed from the FTSE World Index, including income (FTSE World Index), to the MSCI World Index, including income, after withholding taxes (MSCI World Index). For an initial period of time, the Orbis Global Equity Fund will continue to charge its fee with reference to the FTSE World Index. After this period, the benchmark of the Allan Gray-Orbis Global Equity Feeder Fund will change to the MSCI World Index. Please see the Orbis Global Equity Fund's factsheet for more information on this fee transitional period.
2. This is based on the latest available numbers published by IRESS as at 31 March 2022.
3. Maximum percentage decline over any period. The maximum rand drawdown occurred from 6 June 2008 to 10 March 2009 and maximum benchmark drawdown occurred from 5 June 2008 to 6 March 2009. 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 December 2013 and the benchmark's occurred during the 12 months ended 31 December 2013. The Fund's lowest annual return occurred during the 12 months ended 31 March 2009 and the benchmark's occurred during the 12 months ended 31 March 2009. 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:	ZAR	US$	ZAR	US$	ZAR	US$
Since inception (1 April 2005)	785.0	249.5	838.0	270.5	150.7	49.0
Annualised:						
Since inception (1 April 2005)	13.6	7.6	14.0	8.0	5.6	2.4
Latest 10 years	16.3	8.3	18.3	10.1	5.0	2.3
Latest 5 years	8.8	5.1	14.2	10.3	4.3	3.4
Latest 3 years	10.1	6.7	14.2	10.7	4.4	4.2
Latest 2 years	7.5	15.8	10.4	19.0	4.6	5.6
Latest 1 year	-2.6	-10.7	4.9	-3.8	5.9	8.1
Year-to-date (not annualised)	-10.7	-9.7	-13.5	-12.5	2.4	3.3
Risk measures (since inception)						
Maximum drawdown[3]	-34.1	-52.8	-38.0	-57.6	n/a	n/a
Percentage positive months[4]	62.9	59.5	62.0	63.9	n/a	n/a
Annualised monthly volatility[5]	15.2	17.2	14.0	15.7	n/a	n/a
Highest annual return[6]	78.2	64.1	54.2	58.4	n/a	n/a
Lowest annual return[6]	-29.7	-44.8	-32.7	-47.3	n/a	n/a

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Meeting the Fund objective

Since inception and 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 experiences periods of underperformance in pursuit of its objective of creating long-term wealth for investors, without taking on greater risk of loss than the global stock market. 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.

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 annually.	31 Dec 2021
Cents per unit	**1.5476**

Annual management fee

Allan Gray does not charge an annual management fee but is paid a marketing and distribution fee by Orbis.

Orbis charges an annual management fee within the underlying Orbis Global Equity Fund. The fee rate is calculated based on the Orbis fund's performance relative to its benchmark. For more information please refer to the Orbis Global Equity Fund factsheet and prospectus, which can be found at www.orbis.com.

Total expense ratio (TER) and transaction costs

The annual management fee charged by Orbis 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.

TER and transaction costs breakdown for the 1- and 3-year period ending 31 March 2022	1yr %	3yr %
Total expense ratio	**0.85**	**0.89**
Fee for benchmark performance	1.49	1.49
Performance fees	-0.69	-0.65
Other costs excluding transaction costs	0.05	0.05
VAT	0.00	0.00
Transaction costs (including VAT)	**0.10**	**0.09**
Total investment charge	**0.95**	**0.98**

Top 10 share holdings on 30 April 2022

Company	% of portfolio
British American Tobacco	8.0
FLEETCOR Technologies	3.9
Global Payments	3.8
UnitedHealth Group	3.2
Newcrest Mining	3.1
Howmet Aerospace	2.9
Dollar General	2.8
Progressive	2.8
Anthem	2.7
XPO Logistics	2.7
Total	**36.0**

Asset allocation on 30 April 2022

This fund invests solely into the Orbis Global Equity Fund

	Total	North America	Europe and UK	Japan	Asia ex-Japan	Other
Net equities	98.4	41.6	24.0	10.1	13.8	8.8
Hedged equities	0.0	0.0	0.0	0.0	0.0	0.0
Fixed interest	0.0	0.0	0.0	0.0	0.0	0.0
Commodity-linked	0.0	0.0	0.0	0.0	0.0	0.0
Net current assets	1.6	0.0	0.0	0.0	0.0	1.6
TOTAL	**100.0**	**41.6**	**24.0**	**10.1**	**13.8**	**10.4**
Currency exposure of the Orbis Global Equity Fund						
Funds	100.0	45.7	25.2	10.3	8.6	10.3
Index	100.0	66.7	17.6	6.5	5.2	4.0

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

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Fund manager quarterly commentary as at 31 March 2022

Prior to Russia's invasion of Ukraine on 24 February, the Orbis Global Equity Fund (the Fund) had less than a 2% position in Russia. We were concerned for some time about increasing tensions between the two countries and trimmed our overall exposure to Russia in recent months. With the benefit of hindsight, we should have eliminated the position much sooner. At present, we have little confidence in our ability to recover value from these positions and wrote them down to zero in early March. Our thoughts remain with those in harm's way, and we hope for a prompt and peaceful resolution.

While investors seem to be focused on understanding the immediate impact on markets, we think this misses a much bigger point. While Russian energy exports may come under pressure from explicit sanctions or implicit boycotts, the real question is what happens if there is a more sustained disruption in Russian energy production itself. For example, a ban on the sale of equipment to Russia for oil and gas extraction could impair long-term production capacity. The old adage that "the best cure for high prices is high prices", remains true – other suppliers will happily step in to fill the gap. But so far that supply response has been limited for a variety of reasons, and supply was already very tight prior to the invasion. In fact, it is precisely because fossil fuels have been so deeply out of favour for so long that the supply crunch exists in the first place. In our view, many investors are only beginning to grasp these longer-term implications.

Nor are energy prices the only concern. Other key commodities are in short supply and will almost certainly affect the pricing of many other products. The US Federal Reserve is clinging to the view that inflation will be "transitory", but this does not inspire confidence. In fact, the Fed's limited response thus far probably raises the odds that inflation will persist.

For investors, the resurgence of inflation is a potential game-changer. The market environment in recent years has been characterised by a TINA mentality – There Is No Alternative – in which investors have had little choice but to chase increasingly frothy equity returns rather than sit in cash earning nothing or the "return-free risk" offered by many government bonds.

At Orbis, we don't get along very well with TINA. As value-oriented investors, we struggle to keep pace when equity markets become increasingly expensive, as has been the case in recent years. We prefer TASHA – There Are Some Healthy Alternatives – and that's exactly the mindset that we bring to the opportunity set today.

Commodity producers are one such alternative. Teck Resources, a Canadian mining company, offers a 25% free cash flow yield at current commodity prices. In other words, if you bought the company outright, you could get all of your money back after just four years if today's commodity prices were to persist. Even if they don't, Teck still looks reasonably attractive under more conservative long-term assumptions.

Brazil's Vale is another good example. Vale is one of four iron ore majors globally and is also the world's largest producer of nickel, a critical component for electric vehicle batteries. It has net cash on its balance sheet and trades at just six times our estimate of this year's earnings. At current production levels and iron ore prices of US$150 per tonne, Vale generates a free cash flow yield of about 25%, but even at US$80 per tonne it would still deliver about 8-10% free cash flow yield. That tells us that the stock is fairly valued with ore at US$80 and a steal if current prices persist. Of course, the current levels may be unsustainably high, but high commodity prices provide a reassuring margin of safety. The longer high prices persist, the more cash will flow back to the owners of the business, which in turn provides fundamental support for the share price.

If we are correct that the stockpicking environment is changing, then banks may offer yet another healthy alternative. Interest rates have recently been the lowest in 5 000 years of knowable history and it would be unreasonable to assume that this will persist indefinitely – particularly in light of the sharp uptick in inflation. For banks, rising interest rates should be a positive, as they will be able to take advantage of the difference between the rate that banks pay to customers on their savings, and the rate they can earn through investing those savings.

KB Financial Group, one of the leading lenders in South Korea, is growing at a steady pace, and is paying about a 5% dividend yield – which should rise over time. Despite this, KB currently trades at a 50% discount to its book value. Valuation figures like these might normally be signs of distress or weak fundamentals for a bank, but KB has an impressive track record of profitability and a strong balance sheet.

In our view, there are still plenty of healthy alternatives to choose from in the current environment, particularly as growth rates fade and valuation multiples are squeezed by rising interest rates. While the likes of Teck, Vale and KB are just a few examples, they are representative of the types of new opportunities that we have been focusing on of late.

While the Fund's performance in the first quarter was similar to that of its benchmark, we got there very differently. It has been frustrating that our exposure to Russia and China has hurt performance, but being underweight the most expensive parts of the market in favour of our selection of healthy alternatives has been a tailwind – one we believe has far more room to run.

We trimmed the position in Taiwan Semiconductor Manufacturing Company in light of rising geopolitical risks and exited the position in Meta Platforms (formerly Facebook) due to concerns about increasing competitive pressures.

Adapted from a commentary contributed by Ben Preston, Orbis Portfolio Management (Europe) LLP, London

The availability of the Fund is subject to offshore capacity constraints. Please contact our Client Service Centre for further information about any constraints that may apply.

Information and content

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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.

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).

Feeder fund

A feeder fund is a unit trust that invests in another single unit trust, which charges its own fees. Allan Gray does not charge any additional fees in its feeder funds.

Foreign exposure

This fund invests in a foreign fund managed by Orbis Investment Management Limited, our offshore investment partner.

FTSE Russell Index

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MSCI Index

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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**

ALLAN GRAY

Fund managers: This Fund invests solely into the Orbis SICAV Global Balanced Fund, managed by Orbis Investment Management Limited. **Inception date:** 3 February 2004

Allan Gray-Orbis Global Balanced Feeder Fund

30 April 2022

Fund description and summary of investment policy[1]

The Fund is a feeder fund and invests only in the Orbis SICAV Global Balanced Fund ('Orbis Global Balanced'), managed by Allan Gray's offshore investment partner, Orbis Investment Management Limited. Orbis Global Balanced invests in a diversified global portfolio of equities, fixed income, and commodity-linked instruments. The typical net equity exposure of Orbis Global Balanced is between 40% and 75%. Orbis Global Balanced aims to balance investment returns and risk of loss. Returns are likely to be less volatile than those of a global equity-only fund. Although Orbis Global Balanced's investment universe is global, the units of the Fund are priced and traded daily in rands.

ASISA unit trust category: Global – Multi Asset – High Equity

Fund objective and benchmark[1]

The Fund aims to create long-term wealth for investors and to outperform its designated combined equity and bond performance benchmark, which comprises 60% the MSCI World Index with net dividends reinvested and 40% the J.P. Morgan GBI Global Index.

How we aim to achieve the Fund's objective

The Fund invests only in Orbis Global Balanced. Orbis Global Balanced is actively managed and invests in a diversified global portfolio of equities, fixed income, and commodity-linked instruments. Orbis Global Balanced targets an exposure of 40% to 90% of net asset value ('NAV') in equities, 10% to 50% in fixed income and 0% to 10% in commodity-linked instruments. The overall exposure to equities after hedging is intended to be limited to 75% of NAV. The weighting among the asset classes is driven by Orbis' bottom-up approach in selecting securities across asset classes and therefore may deviate substantially compared to the benchmark.

Like Allan Gray, Orbis uses in-house research to identify companies whose shares can be purchased for less than Orbis' assessment of their long-term intrinsic value. This long-term perspective enables them 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. A similar approach is applied in selecting fixed income instruments, which may consist of cash, cash equivalents, government bonds and investment-grade and high-yield corporate bonds and, at times, distressed corporate bonds. They are selected with the aim of increasing the overall risk-adjusted return.

When Orbis' research suggests that stock or bond markets are overvalued, Orbis may reduce exposure to those asset classes or hedge market risk using exchange-traded derivatives. Hedged equities may also be used as an alternative to holding fixed-income instruments and reduce overall portfolio risks. Commodity-linked instruments are included if Orbis' research identifies certain commodities as being more attractive on a risk-adjusted basis than overall equity or fixed-income opportunities. Currency exposure is actively managed to control exposure to currencies less likely to hold their long-term value in US dollars.

Suitable for those investors who

- Seek to balance investment returns and risk of loss, by investing in a diversified global multi-asset class portfolio
- Wish to invest in international assets without having to personally expatriate rands
- Are comfortable that the investment approach is likely to result in volatility and potential capital loss, but typically less volatility than that of a global equity-only fund
- Typically have an investment horizon of at least three to five years

Minimum disclosure document and quarterly general investors' report **Issued:** 11 May 2022

Fund information on 30 April 2022

Fund size	R15.5bn
Number of units	289 905 795
Price (net asset value per unit)	R53.51
Class	A

Minimum investment amounts*

Initial lump sum per investor account	R50 000
Additional lump sum	R1 000
Debit order**	R1 000

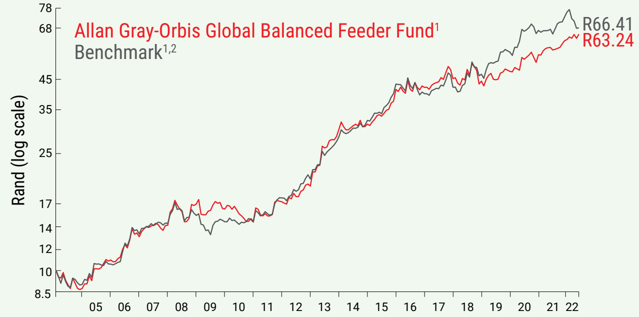
*Lower minimum investment amounts apply for investments in the name of an investor younger than 18. Please refer to our website for more information.

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

1. The Fund was converted from a fund of funds structure to a feeder fund structure and its name and benchmark were amended on 1 June 2021. For more information, please read 'Ballot underway for Allan Gray-Orbis Global Fund of Funds', available via the Latest insights section of our website.
2. 60% of the MSCI World Index with net dividends reinvested and 40% of the J.P. Morgan GBI Global Index (source: Bloomberg), performance as calculated by Allan Gray as at 30 April 2022. From inception to 31 May 2021, the benchmark was 60% of the FTSE World Index including income and 40% of the J.P. Morgan GBI Global Index.
3. This is based on the latest available numbers published by IRESS as at 31 March 2022.
4. Maximum percentage decline over any period. The maximum rand drawdown occurred from 23 October 2008 to 14 October 2010 and maximum benchmark drawdown ccurred from 23 October 2008 to 30 June 2009. Drawdown is calculated on the total return of the Fund/benchmark (i.e. including income).
5. The percentage of calendar months in which the Fund produced a positive monthly return since inception.
6. 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.
7. 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 December 2013 and the benchmark's occurred during the 12 months ended 31 December 2013. The Fund's lowest annual return occurred during the 12 months ended 31 October 2010 and the benchmark's occurred during the 12 months ended 30 June 2009. 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[1,2]		CPI inflation[3]	
Cumulative:	ZAR	US$	ZAR	US$	ZAR	US$
Since inception (3 February 2004)	532.4	182.1	564.1	196.2	161.0	54.4
Annualised:						
Since inception (3 February 2004)	10.6	5.8	10.9	6.1	5.4	2.4
Latest 10 years	13.7	5.9	14.0	6.1	5.0	2.3
Latest 5 years	8.0	4.3	10.1	6.4	4.3	3.4
Latest 3 years	10.7	7.3	9.5	6.1	4.4	4.2
Latest 2 years	9.5	18.0	0.6	8.4	4.6	5.6
Latest 1 year	10.9	1.6	1.1	-7.3	5.9	8.1
Year-to-date (not annualised)	2.2	3.3	-13.2	-12.2	2.4	3.3
Risk measures (since inception)						
Maximum drawdown[4]	-24.0	-37.0	-25.1	-37.5	n/a	n/a
Percentage positive months[5]	58.4	60.3	58.9	63.5	n/a	n/a
Annualised monthly volatility[6]	13.5	11.4	12.8	10.0	n/a	n/a
Highest annual return[7]	55.6	43.8	38.8	37.6	n/a	n/a
Lowest annual return[7]	-13.7	-27.3	-17.0	-31.7	n/a	n/a

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Meeting the Fund objective

Since inception and 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 experiences periods of underperformance in pursuit of its objective of creating long-term wealth for investors, without taking on greater risk of loss than similar funds in the Global – Multi Asset – High Equity sector.

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 annually.	31 Dec 2021
Cents per unit	**0.1143**

Annual management fee

Allan Gray does not charge an annual management fee but is paid a marketing and distribution fee by Orbis.

Orbis charges an annual management fee within the underlying Orbis SICAV Global Balanced Fund. The fee rate is calculated based on the Orbis fund's performance relative to its benchmark. For more information please refer to the Orbis SICAV Global Balanced Fund factsheet and prospectus, which can be found at www.orbis.com.

Total expense ratio (TER) and transaction costs

The annual management fee charged by Orbis 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.

TER and transaction costs breakdown for the 1- and 3-year period ending 31 March 2022	1yr %	3yr %
Total expense ratio	**1.05**	**0.98**
Fee for benchmark performance	1.49	1.46
Performance fees	-0.50	-0.54
Other costs excluding transaction costs	0.06	0.06
VAT	0.00	0.00
Transaction costs (including VAT)	**0.11**	**0.08**
Total investment charge	**1.16**	**1.06**

Top 10 holdings on 30 April 2022

Company	% of portfolio
SPDR Gold Trust	6.3
Samsung Electronics	5.0
Shell	3.4
Schlumberger	3.0
Kinder Morgan	3.0
US Treasuries 1-3 Years	3.0
Drax Group	2.7
Bayer	2.6
Barrick Gold	2.3
Taiwan Semiconductor Mfg.	2.0
Total (%)	**32.3**

Asset allocation on 30 April 2022

This fund invests solely into the Orbis SICAV Global Balanced Fund

	Total	North America	Europe and UK	Japan	Asia ex-Japan	Other
Net equities	61.0	15.9	22.3	7.9	9.0	5.9
Hedged equities	19.5	10.0	5.5	1.0	1.6	1.4
Fixed interest	13.1	9.4	0.6	0.4	0.2	2.7
Commodity-linked	6.3	0.0	0.0	0.0	0.0	6.3
Net current assets	0.0	0.0	0.0	0.0	0.0	0.0
Total	**100.0**	**35.3**	**28.4**	**9.3**	**10.8**	**16.3**
Currency exposure of the Orbis SICAV Global Balanced Fund						
Funds	100.0	37.2	32.1	13.9	9.3	7.5
Index	100.0	63.5	22.5	11.0	0.7	2.2

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

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Fund manager quarterly commentary as at 31 March 2022

Russia's invasion of Ukraine is a painful reminder that there is more to life than markets, and our concern goes out to the people suffering. As investors, our job is to assess the impact on our clients' portfolios. Coming into this year, the Orbis SICAV Global Balanced Fund (the Fund) held no Russian positions, and we sold Russia-exposed BP between late January and early February.

The Fund has fared much better than its 60/40 benchmark amid the conflict-related volatility. As inflation has eclipsed 7% in the US, interest rates have begun to rise. That has punished global government bonds, which have lost 6.2%, and the richly priced growth stocks. While global value shares are roughly flat this year, the Nasdaq is down 9%.

Those moves feel huge if you're reading the headlines every day, but have barely made a dent in the trends of recent decades. Bond yields remain near 120-year lows in the US and 260-year lows in the UK. And over the past 15 years, the Nasdaq has only once been more richly priced relative to global value shares – during the COVID-19 lockdowns.

Despite the assurances of central bankers, inflation expectations continue to rise. That is dangerous, because inflation is unlike most financial risks. With most financial risks, the more you worry about them, the less likely they are to happen. With inflation, it is the opposite.

Three boomerangs

As well as rising inflation, Russia's invasion has exacerbated several trends that were already underway. We have found opportunities aligned with three of these trends: a global energy crisis, a global food shortage, and a resumption of the Cold War. Each of these represents a reversal of the prevailing trends in recent decades and could shape the world for decades to come.

Global energy crisis

We have expected a supply crunch in energy for some time. Over the past seven years, oil producers underinvested by hundreds of billions of dollars, and petroleum inventories are now at their lowest levels since 2014. Then Russia invaded Ukraine, rendering 10% of world oil production and over 30% of Europe's gas supply insecure and toxic. As the world divides, it is becoming obvious that the US must lead the way in providing Europe with energy security – Europe and the US have already signed an agreement to increase transatlantic liquefied natural gas (LNG) shipments.

The most obvious beneficiaries are responsible Western companies that can contribute to the energy security effort. Much of that LNG will be handled by Shell, one of the world's largest LNG producers and traders. Forty percent of gas consumed in the US flows through the pipelines of Kinder Morgan, which also owns stakes in LNG export terminals. As European LNG demand boosts prices in Asia, gas producers in Australia such as Woodside will benefit. And companies like Schlumberger and Hunting, which provide the technology and equipment to increase oil and gas production, stand to benefit as countries and companies finally attempt to increase supply.

As obvious as all that seems, this is not reflected in valuations, which remain attractive across many parts of the energy space. Over the past few months, we have rotated the Fund's energy holdings from politically vulnerable producers towards the more neglected services firms.

Longer term, the energy shortage may hasten Europe's desire to increase energy efficiency and transition to renewable power. One of the easiest efficiency wins is to use LED lightbulbs, which should provide a tailwind to Signify, maker of Philips-branded LED bulbs.

And investment in renewable energy should support both the wind turbine and electrical grid equipment businesses of Siemens Energy.

Global food shortage

Russia is by far the world's largest wheat exporter, and in normal times Russia and Ukraine together account for a quarter of the world's wheat exports. As that supply is threatened, food prices have spiked globally. That will make it essential for producers in other regions to maximise crop yields. Top holding Bayer, with its portfolio of yield-enhancing seeds, fertilisers, and pesticides, may be due a reappraisal. Once loathed for genetically modified seeds and Roundup (glyphosate), Bayer now seems utterly forgotten, even as its Roundup legal fortunes improve.

The Fund also gains some protection against rising food prices through its Treasury Inflation-Protected Securities. The principal value of those bonds adjusts according to changes in consumer prices, and food and energy account for roughly a quarter of the consumer price basket.

The Cold War resumes

With Russia's invasion of Ukraine, the era of predictable European and Asian peace that started in the early 1990s is eliminated – with all the economic blessings that came with it. With the peace dividend gone, countries and alliances need to make up for a decades-long investment deficit in defence. That need is being felt most acutely in Europe and Japan, where defence contractors have performed poorly for 20 years, exacerbated recently by investor unease about the social responsibility of investing in those firms. Now, we appear on the cusp of a boomerang-like turn in both fundamentals and sentiment.

On the fundamental side, European powers are already ramping up defence spending and favouring local contractors such as BAE Systems, Saab, Rheinmetall, Rolls-Royce, Leonardo, and Thales. Most of these contractors offer high dividend yields that are well covered by cash flows on current contracts, with additional upside should defence spending increase. On the sentiment side, investors are reassessing the importance of defence companies in protecting liberal democracies. While we did not buy these companies because we foresaw events in Ukraine, we were able to build modest positions in them over the past several months.

A yawning gap

Amid the volatility of recent months, we resisted the urge to trim positions that performed well in favour of shares that recently started to lag. In our view, the boomerang in markets has only started to turn, and the much-discussed "value rotation" is mainly a sell-off in shares that looked absurdly expensive before and still look extreme. After a good quarter for relative returns, the equities in the Fund still trade at a 30% discount to the MSCI World Index on price-to-earnings. We remain enthusiastic about the Fund's long-term relative return potential.

We exited a position in BP in mid-February amid increasing concerns over its exposure to Russia. We recycled much of that cash into more attractive energy ideas, including Kinder Morgan, an energy infrastructure company. We also sold out of the Fund's position in Comcast, a US-based cable and media company, due to concerns about rising competitive intensity.

Adapted from a commentary contributed by Alec Cutler, Orbis Investment Management Limited, Bermuda

The availability of the Fund is subject to offshore capacity constraints. Please contact our Client Service Centre for further information about any constraints that may apply.

Information and content

The information in and content of this publication are provided by Allan Gray as general information about the company and its products and services. Allan Gray does not guarantee the suitability or potential value of any information or particular investment source. The information provided is not intended to, nor does it constitute financial, tax, legal, investment or other advice. Before making any decision or taking any action regarding your finances, you should consult a qualified financial adviser. Nothing contained in this publication constitutes a solicitation, recommendation, endorsement or offer by Allan Gray; it is merely an invitation to do business.

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Allan Gray is an authorised financial services provider.

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.

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).

Feeder fund

A feeder fund is a unit trust that invests in another single unit trust, which charges its own fees. Allan Gray does not charge any additional fees in its feeder funds.

Foreign exposure

This fund invests in a foreign fund managed by Orbis Investment Management Limited, our offshore investment partner.

MSCI Index

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FTSE Russell Index

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J.P. Morgan Index

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ALLANGRAY

Fund manager: Duncan Artus (The underlying Orbis funds are managed by Orbis)
Inception date: 2 March 2010

Allan Gray-Orbis Global Optimal Fund of Funds

30 April 2022

Fund description and summary of investment policy

The Fund invests in a mix of absolute return funds managed by Allan Gray's offshore investment partner, Orbis Investment Management Limited. The typical net equity exposure of the Fund is between 0% and 20%. The Orbis Optimal SA funds included in the Fund use exchange-traded derivative contracts on stock market indices to reduce net equity exposure. In these funds, the market exposure of equity portfolios is effectively replaced with cash-like exposure, plus or minus Orbis' skills in delivering returns above or below the market. Returns are likely to be less volatile than those of a foreign equity or balanced fund. Although the Fund's investment universe is global, the units in the Fund are priced and traded daily in rands. When considered in rands, returns of this foreign fund are likely to be more volatile than domestic funds with similar equity constraints.

ASISA unit trust category: Global – Multi Asset – Low Equity

Fund objective and benchmark

The Fund aims to provide a high degree of capital stability (when measured in the foreign currency denominations of the underlying Orbis Funds), while producing long-term returns that are superior to foreign currency bank deposits. The Fund's benchmark is the simple average of the benchmarks of the underlying Orbis funds.

How we aim to achieve the Fund's objective

The Fund invests only in the Optimal SA absolute return funds managed by our offshore investment partner, Orbis Investment Management Limited. Within the Optimal funds, Orbis uses in-house research to identify companies around the world whose shares can be purchased for less than Orbis' assessment of their long-term intrinsic value. This long-term perspective enables them 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. This is the same approach as that used by Allan Gray to invest in South African equities, except that Orbis is able to choose from many more shares, listed internationally. The Orbis Optimal SA funds reduce most of their stock market risk by the use of exchange-traded derivative futures contracts. The Orbis Optimal SA funds will typically retain a small portion of their exposure to equity markets, but the level of exposure may be varied depending on Orbis' assessment of the potential returns on global stock markets relative to their risk of capital loss. The underlying funds' returns are therefore derived partly from their relatively low exposure to stock markets, partly from Orbis' selected share returns relative to those markets, and partly from foreign currency cash-equivalent returns. The Fund's currency exposure is actively managed both within the underlying Orbis funds and through our selection of Orbis funds.

Suitable for those investors who

- Seek steady absolute returns ahead of those of cash measured in global currencies
- Wish to invest in international assets without having to personally expatriate rands
- Are comfortable with taking on the risk of currency fluctuation, but prefer little exposure to stock market risk
- Wish to use the Fund as a foreign absolute return 'building block' in a diversified multi-asset class portfolio

Fund information on 30 April 2022

Fund size	R1.0bn
Number of units	46 018 238
Price (net asset value per unit)	R21.65
Class	A

Minimum investment amounts*

Initial lump sum per investor account	R50 000
Additional lump sum	R1 000
Debit order**	R1 000

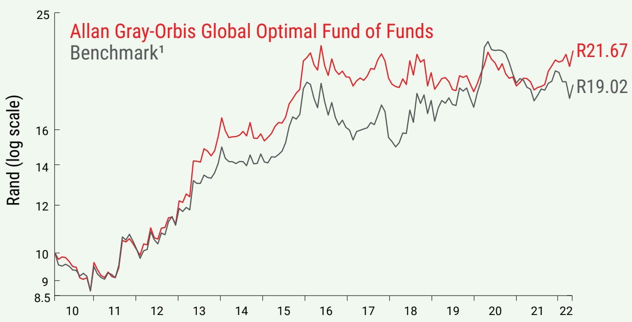
*Lower minimum investment amounts apply for investments in the name of an investor younger than 18. Please refer to our website for more information.

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

1. The simple average of the benchmarks of the underlying funds, performance as calculated by Allan Gray as at 30 April 2022.
2. This is based on the latest available numbers published by IRESS as at 31 March 2022.
3. Maximum percentage decline over any period. The maximum rand drawdown occurred from 18 May 2016 to 24 March 2017 and maximum benchmark drawdown occurred from 18 January 2016 to 23 February 2018. 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 December 2013 and the benchmark's occurred during the 12 months ended 31 January 2016. The Fund's lowest annual return occurred during the 12 months ended 31 May 2017 and the benchmark's occurred during the 12 months ended 28 February 2017. 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:	ZAR	US$	ZAR	US$	ZAR	US$
Since inception (2 March 2010)	116.7	5.7	90.2	-7.3	81.1	32.4
Annualised:						
Since inception (2 March 2010)	6.6	0.5	5.4	-0.7	5.0	2.4
Latest 10 years	7.7	0.3	6.5	-0.8	5.0	2.3
Latest 5 years	2.1	-1.4	3.5	0.0	4.3	3.4
Latest 3 years	3.5	0.3	2.4	-0.8	4.4	4.2
Latest 2 years	0.3	8.1	-7.9	-0.8	4.6	5.6
Latest 1 year	12.7	3.3	1.8	-6.7	5.9	8.1
Year-to-date (not annualised)	4.5	5.7	-4.6	-3.5	2.4	3.3
Risk measures (since inception)						
Maximum drawdown[3]	-18.9	-31.3	-26.6	-15.1	n/a	n/a
Percentage positive months[4]	50.7	52.7	46.6	47.3	n/a	n/a
Annualised monthly volatility[5]	13.5	7.4	14.1	4.3	n/a	n/a
Highest annual return[6]	39.6	14.4	35.6	9.4	n/a	n/a
Lowest annual return[6]	-12.4	-15.3	-19.1	-11.6	n/a	n/a

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Meeting the Fund objective

Since inception and over the latest 10-year period, the Fund has outperformed its benchmark. Over the latest five-year period the Fund has underperformed its benchmark. It should be noted that the returns on dollar and euro cash have been low over this period. There has been some volatility in the Fund's returns. The underlying funds' maximum drawdowns to date, in their reporting currencies, are 23% for the Orbis Optimal SA Dollar class and 28% for the Orbis Optimal SA Euro class.

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 annually.	31 Dec 2021
Cents per unit	**0.0000**

Annual management fee

Allan Gray does not charge an annual management fee but is paid a marketing and distribution fee by Orbis.

Orbis charges annual management fees within the underlying Orbis funds. Each fund's fee rate is calculated based on the fund's performance relative to its own benchmark. For more information please refer to the Orbis Optimal SA Fund factsheets and prospectus, which can be found at www.orbis.com.

Total expense ratio (TER) and transaction costs

The annual management fees charged by 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.

TER and transaction costs breakdown for the 1- and 3-year period ending 31 March 2022	1yr %	3yr %
Total expense ratio	**1.07**	**1.08**
Fee for benchmark performance	1.00	1.00
Performance fees	-0.01	-0.01
Other costs excluding transaction costs	0.08	0.09
VAT	0.00	0.00
Transaction costs (including VAT)	**0.09**	**0.13**
Total investment charge	**1.16**	**1.21**

Top 10 share holdings on 30 April 2022

Company	% of portfolio
British American Tobacco	4.2
Drax Group	3.8
Woodside Petroleum	3.2
Shell	3.0
Golar LNG	2.5
Mitsubishi	2.4
FLEETCOR Technologies	2.1
INPEX	2.1
UnitedHealth Group	2.0
Motorola Solutions	2.0
Total (%)	**27.3**

Fund allocation on 30 April 2022

Foreign absolute return funds	%
Orbis Optimal SA (US$)	60.6
Orbis Optimal SA (Euro)	39.4
Total (%)	**100.0**

Asset allocation on 30 April 2022

	Total	North America	Europe and UK	Japan	Asia ex-Japan	Other
Net equities	5.6	-0.3	3.8	1.3	0.3	0.5
Hedged equities	80.5	29.8	20.9	17.3	8.4	4.0
Fixed interest	0.0	0.0	0.0	0.0	0.0	0.0
Commodity-linked	0.0	0.0	0.0	0.0	0.0	0.0
Net current assets	13.9	0.0	0.0	0.0	0.0	13.9
Total	**100.0**	**29.5**	**24.7**	**18.6**	**8.7**	**18.5**
Currency exposure of the Orbis funds						
Funds	100.0	58.2	40.2	0.2	1.5	0.0

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

Fund manager quarterly commentary as at 31 March 2022

Prior to Russia's invasion of Ukraine on 24 February, the Orbis Optimal SA Fund (the Fund) had a 1.2% position in Russia. We were concerned for some time about increasing tensions between the two countries and had been trimming the Fund's exposure to Russia in recent months. With the benefit of hindsight, we should have eliminated the position much sooner. At present, we have little confidence in our ability to recover value from these positions and wrote them down to zero in early March.

As painful as the losses on these holdings have been, they come at a time when the Fund's broader performance has been encouraging. Over the past 12 months, the Fund has delivered a positive absolute return of over 8% at a time when global bonds have lost about 7%.

The most exciting part is that valuation dispersions remain historically wide, which is exactly the type of environment that the Fund is designed to exploit.

In previous commentaries, we have written about dislocations in stock markets, and how fundamentally cheap shares had never been cheaper compared to fundamentally rich ones. In 2021, these valuation spreads were as extreme as they had been at any time since the Orbis funds were launched in 1990. In recent months, the gap has narrowed sharply, but it remains near previous historical peaks.

The Fund is well positioned to benefit from the unwinding of these historically wide dislocations, and we have also been able to find plenty of attractive idiosyncratic opportunities across all areas of the market. The Fund takes this a step further by hedging stock market indices and thereby capturing our stock selection results as the primary driver of the Fund's performance.

As an example, UnitedHealth Group is currently one of the Fund's largest holdings. We last discussed UnitedHealth, along with Anthem, in our September 2020 commentary. UnitedHealth and Anthem are two of the leading managed care organisations (MCOs) in the US. At that time, our assessment was that both shares traded below their intrinsic values due to political uncertainty heading into the 2020 US presidential election, and that the post-election regulatory environment would turn out to be far less damaging to MCOs than the market feared.

Since President Joe Biden took office, he has shown limited appetite for major healthcare reform. At the same time, UnitedHealth and Anthem have continued to deliver strong earnings growth, driving meaningful outperformance relative to the US market. We continue to believe that both companies have bright futures and look much more compelling than the broader US market over our investment horizon.

One of the Fund's newer holdings, Visa, is an exceptional business that is under pressure for reasons that we believe will prove to be temporary. As one of the world's largest payment networks, Visa's cross-border business has not yet recovered from the disruption to international travel that was brought on by the COVID-19 pandemic. At the same time, the market has also been increasingly concerned about disruption risks posed by new payment technologies such as blockchains, "buy now pay later" (BNPL) and direct "account-to-account" (A2A) payments.

We believe Visa will be able to navigate these headwinds. While the pandemic has hit Visa's cross-border business, it has also accelerated the secular shift from cash to digital payments, which benefits Visa. The threat of new entrants is a valid concern and something we take seriously, but our research leads us to believe that Visa's strategy of partnering with and enabling the new players will ultimately serve their own interests as well. As for the cross-border business itself, we believe it is simply a matter of being patient and waiting for travel to resume. In the meantime, Visa trades for 25 times our estimate of free cash flow for next year, which we expect to grow at low to mid double digits during our investment horizon.

We believe S&P Global is another extremely compelling idiosyncratic investment opportunity. It is probably best known for calculating the S&P 500 index and its credit ratings business, but these are just a few ways that S&P is embedded within the financial services industry. The word "moat" is often over-used by investors as a metaphor for competitive advantage, but in the case of S&P it truly is one of the widest we've seen. There are substantial barriers to entry in the ratings business and its index business would be similarly difficult to disrupt given how entrenched it has become throughout the investment management industry.

S&P Global trades at 25 times our estimate of free cash flow for next year, which we think can grow at low double digits during our investment horizon. We find this attractive for a business that is both competitively advantaged and well run by its current management team.

As a final example, we believe Taiwan Semiconductor Manufacturing Company (TSMC) offers a combination of very attractive long-term growth available at a very modest valuation. TSMC shares have lost more than 15% of their value since the start of 2022, partly on escalating fears of a conflict between China and Taiwan, and now stand out as remarkably attractive relative to other semiconductor companies globally. TSMC now trades at less than 17 times forward earnings, versus a range of 25 to 40 times for similarly well-positioned semiconductor companies.

The pandemic accelerated secular digitisation trends, and the world is hungry for semiconductors. The company plans to spend US$40bn in 2022 in order to expand production to meet this burgeoning demand. As long-term shareholders, we could not be happier for management to invest back into a business with a history of generating outstanding returns on investment.

We are not cavalier about the geopolitical risks in Taiwan. But we believe the Fund is well placed to make an investment in TSMC because we can hedge the country risk. In addition, we have also been careful to manage the position size – currently less than 2% of the Fund, given the risks.

Overall, we expect to get our stock selection decisions right more often than wrong and for these decisions to be the primary driver of returns. Today we are also presented with an opportunity to enhance the value we can bring by leaning into the parts of the market where valuation dislocations have been the greatest. We believe that it is during volatile and uncertain times like these that the Fund can most earn its keep as a source of both downside protection and an uncorrelated stream of absolute returns.

The Fund's overall net equity exposure decreased over the quarter. Among individual positions, we exited a position in BP in February amid increasing concerns over its exposure to Russia. We shifted capital into Shell, which looks set to benefit from increased liquefied natural gas usage.

Adapted from a commentary contributed by Povilas Dapkevicius, Orbis Portfolio Management Europe (LLP), London, and John Christy, Orbis Investments (Canada) Limited, Vancouver

Important information for investors

The availability of the Fund is subject to offshore capacity constraints. Please contact our Client Service Centre for further information about any constraints that may apply.

Information and content

The information in and content of this publication are provided by Allan Gray as general information about the company and its products and services. Allan Gray does not guarantee the suitability or potential value of any information or particular investment source. The information provided is not intended to, nor does it constitute financial, tax, legal, investment or other advice. Before making any decision or taking any action regarding your finances, you should consult a qualified financial adviser. Nothing contained in this publication constitutes a solicitation, recommendation, endorsement or offer by Allan Gray; it is merely an invitation to do business.

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Allan Gray is an authorised financial services provider.

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.

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).

Fund of funds

A fund of funds is a unit trust that invests in other unit trusts, which charge their own fees. Allan Gray does not charge any additional fees in its funds of funds.

Foreign exposure

This fund invests in foreign funds managed by Orbis Investment Management Limited, our offshore investment partner.

FTSE Russell Index

Source: London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). © LSE Group 2022. FTSE Russell is a trading name of certain of the LSE Group companies. "FTSE®", "Russell®", "FTSE Russell®", is/are a trade mark(s) of the relevant LSE Group companies and is/are used by any other LSE Group company under license. All rights in the FTSE Russell indexes or data vest in the relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company's express written consent. The LSE Group does not promote, sponsor or endorse the content of this communication.

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 managers: Duncan Artus, Jacques Plaut, Rory Kutisker-Jacobson, Tim Acker (Most foreign assets are invested in Orbis funds) **Inception date:** 1 February 2016
Only available through tax-free investment accounts.

Allan Gray Tax-Free Balanced Fund

30 April 2022

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

Minimum investment amounts*

Initial lump sum per investor account	R36 000
Additional lump sum	R1 000
Debit order**	R1 000

*Lower minimum investment amounts apply for investments in the name of an investor younger than 18. Please refer to our website for more information.

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

Maximum investment amounts

Maximum lump sum per investor account	R36 000
Lifetime maximum	R500 000
Maximum debit order**	R3 000

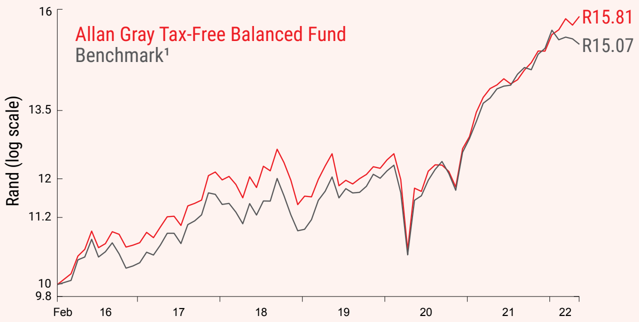
Fund information on 30 April 2022

Fund size	R1.9bn
Number of units	122 671 002
Price (net asset value per unit)	R13.77
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 April 2022.
2. This is based on the latest available numbers published by IRESS as at 31 March 2022.
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)	58.1	50.7	33.9
Annualised:			
Since inception (1 February 2016)	7.6	6.8	4.9
Latest 5 years	7.1	6.7	4.3
Latest 3 years	8.1	7.8	4.4
Latest 2 years	15.8	14.3	4.6
Latest 1 year	12.4	7.9	5.9
Year-to-date (not annualised)	3.2	-2.4	2.4
Risk measures (since inception)			
Maximum drawdown[3]	-24.6	-23.3	n/a
Percentage positive months[4]	65.3	65.3	n/a
Annualised monthly volatility[5]	9.8	9.2	n/a
Highest annual return[6]	31.7	30.7	n/a
Lowest annual return[6]	-13.4	-10.3	n/a

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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 five-year period, 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.	30 Jun 2021	31 Dec 2021
Cents per unit	**8.1043**	**14.8998**

Annual management fee

The fee we charge is fixed at 1.25% excluding VAT.

This fee only applies to the portion of the unit trusts that we manage. The offshore portion of the unit trust is managed by Orbis. Orbis charges fixed fees within these funds. 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 31 March 2022 (SA and Foreign) (updated quarterly)[7]

Company	% of portfolio
British American Tobacco	5.9
Glencore	5.1
Naspers[8]	4.2
Nedbank	2.8
Woolworths	2.6
Sasol	2.5
Remgro	2.4
Sibanye-Stillwater	2.2
AB InBev	2.0
Standard Bank	1.8
Total (%)	**31.5**

Asset allocation on 30 April 2022[7]

Asset class	Total	South Africa	Africa ex-SA	Foreign ex-Africa
Net equities	70.0	50.8	3.0	16.2
Hedged equities	6.9	2.0	0.0	5.0
Property	1.1	0.9	0.0	0.3
Commodity-linked	2.9	2.2	0.0	0.7
Bonds	13.5	10.0	1.5	2.0
Money market and bank deposits	5.5	3.4	-0.1	2.2
Total (%)	**100.0**	**69.3**	**4.3**	**26.4[9]**

7. Underlying holdings of Orbis funds are included on a look-through basis.
8. Includes holding in stub certificates or Prosus N.V., if applicable.
9. The Fund can invest a maximum of 45% offshore. Market movements 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.

Total expense ratio (TER) and transaction costs

TER and transaction costs breakdown for the 1- and 3-year period ending 31 March 2022	1yr %	3yr %
Total expense ratio	**1.49**	**1.50**
Fee for benchmark performance	1.30	1.32
Performance fees	0.00	0.00
Other costs excluding transaction costs	0.04	0.04
VAT	0.15	0.14
Transaction costs (including VAT)	**0.09**	**0.10**
Total investment charge	**1.58**	**1.60**

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

Minimum	(February 2016) 57.5%
Average	64.0%
Maximum	(May 2021) 72.5%

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Fund manager quarterly commentary as at 31 March 2022

For the quarter, the Fund returned 1.6%. This is relatively muted in absolute terms but better than the benchmark, which gave negative 1.5% for the quarter. Notably, the foreign portion of the Fund returned negative 6.4%, compared with a 60/40 benchmark return of negative 13.4%.

We have previously spoken about our significant underweight in US equities and our preference for depressed European, UK and emerging market equities in the offshore component. We have also had no exposure to developed world, long-dated sovereign bonds for some time, believing investors were taking on return-free risk by buying at generationally low interest rates. From early 2018 until the end of 2021, this positioning caused significant underperformance in the offshore component of our Fund, as US equities continued to outperform and yields on long-dated government bonds continued to compress, inflating bond prices.

However, with high commodity prices, inflation consistently above 5% in the US since June 2021 (7.9% as at the end of February 2022) and an overheating US economy, these trends have begun to reverse in 2022. Earlier this month, the Federal Reserve approved its first interest rate increase in more than three years and signalled its intention to keep hiking rates throughout 2022 and possibly into 2023. Year to date, the yield on 10-year government bonds in the US has increased from 1.5% to 2.3%, causing those same bonds to generate a negative return of 7.2% in US dollars. Higher interest rates have also meant higher discount rates, with a number of highly priced companies falling significantly and the S&P 500 down 4.6% in US dollars, year to date. Jacques Plaut discusses some of these movements in this quarter's Allan Gray Equity Fund commentary.

At this stage, we do not know whether global inflation will prove to be transitory or more persistent in nature. We do know that developed market government debt is at record levels and that the real yield on long-dated government bonds continues to be negative in many countries. We also know that the average earnings multiple one is paying for US equities remains high relative to history. As a result, we are of the view that we are at the early stages of this trend reversal and continue to see substantial upside in our offshore investments relative to overall global asset prices.

In contrast to global bond markets, the 10-year government bond in South Africa is providing real returns, with a benchmark rate now in the ballpark of 10% (real rate above 4%). The risks in South Africa are well known, but one is arguably being compensated for these higher risks at today's prices.

Following the Budget speech, the offshore investment limits for local unit trusts that are mandated to invest offshore, including those that comply with Regulation 28 of the Pension Funds Act, are increased to 45%. We continue to see significant value in our preferred JSE-listed equities, a number of which are global companies that happen to be listed in South Africa, and have not immediately reweighted our asset allocation positions as a result.

One such example is Glencore. Glencore produces and sells over 120 million tonnes of coal each year. Coal is arguably the dirtiest of fossil fuels, and we need to make a global effort to materially reduce our reliance on it over the next 30 to 40 years if we are to achieve our ambition of keeping climate change to a minimum. Glencore is not blind to this reality and has committed to responsibly winding down their mines over time and reinvesting the proceeds in more sustainable and greener metals. However, as it currently stands, many countries – emerging markets in particular – are reliant on coal for their primary energy needs. South Africa is no exception, with approximately 85% of our electricity continuing to be generated from coal.

Over the past few years, there has been huge pressure on companies to close and reduce investment into fossil fuel operations, coal in particular. In theory, this should drive a positive outcome from a climate change perspective.

Unfortunately, as a global society, we have been poor in terms of the speed and scale at which we have made greener alternatives a viable reality. As consumers are reluctant to reduce their overall energy needs, demand has remained sticky. With demand remaining elevated and supply under pressure, the coal price has rallied materially over the past 18 months. This has been exacerbated in the short term by COVID-19 supply disruptions and the events unfolding in Ukraine, with the related sanctions on Russian oil and gas.

It is important to note that a high coal price is favourable for Glencore's income statement in the short term, but it is also useful in the war against carbon emissions. That is because high prices reduce consumer demand and increase the incentive to produce and bring alternatives to market. There is a reasonable chance that the high prices we are seeing in fossil fuels today will ultimately accelerate their replacement by greener alternatives.

As a result, when valuing Glencore, we do not bake today's high coal prices into our valuation, and we place the coal business on a below-average multiple. However, what we believe the market fails to appreciate is just how important Glencore is to the energy transition. Glencore is one of the world's largest producers of zinc, cobalt, nickel and copper. The world will need to more than double its annual consumption of these four commodities as we scale up investments in electric vehicles, large-scale commercial batteries, wind and solar farms, and greater redundancy in electrical grids. At spot, the Glencore share price is discounting not only materially lower coal prices, but materially lower prices for these other commodities too. We like that risk-reward trade-off.

During the quarter, we bought Naspers, Prosus and AB InBev and sold Standard Bank.

Commentary contributed by Rory Kutisker-Jacobson

Information and content

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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.

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. 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 a reasonable 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).

Foreign exposure

This fund may invest in foreign funds managed by Orbis Investment Management Limited, our offshore investment partner.

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, also an authorised financial services provider and a registered insurer licensed to provide life insurance products 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).

FTSE/JSE All Share Index

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MSCI Index

Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indexes or any securities or financial products. This report is not approved, endorsed, reviewed or produced by MSCI. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.

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**

ALLAN GRAY

Fund managers: Duncan Artus, Jacques Plaut, Rory Kutisker-Jacobson, Tim Acker
Inception date: 13 March 2015

Allan Gray SA Equity Fund

30 April 2022

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 – 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

Minimum investment amounts*

Initial lump sum per investor account	R50 000
Additional lump sum	R1 000
Debit order**	R1 000

*Lower minimum investment amounts apply for investments in the name of an investor younger than 18. Please refer to our website for more information.

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

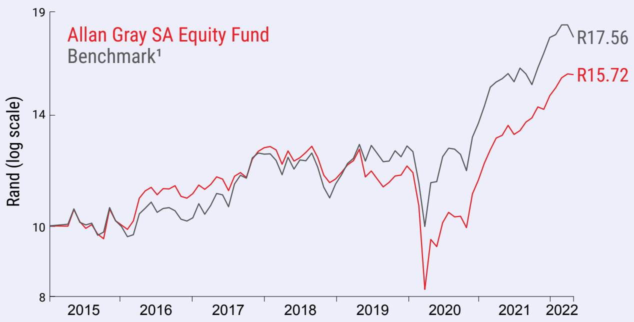
Fund information on 30 April 2022

Fund size	R4.3bn
Number of units	3 627 174
Price (net asset value per unit)	R428.09
Class	A

1. FTSE/JSE All Share Index including income (source: IRESS), performance as calculated by Allan Gray as at 30 April 2022.
2. This is based on the latest available numbers published by IRESS as at 31 March 2022.
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 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 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 (13 March 2015)	57.2	75.6	41.4
Annualised:			
Since inception (13 March 2015)	6.5	8.2	5.0
Latest 5 years	6.3	9.8	4.3
Latest 3 years	7.7	11.3	4.4
Latest 2 years	28.0	24.3	4.6
Latest 1 year	19.9	13.2	5.9
Year-to-date (not annualised)	6.5	0.0	2.4
Risk measures (since inception)			
Maximum drawdown[3]	-44.3	-35.2	n/a
Percentage positive months[4]	60.5	58.1	n/a
Annualised monthly volatility[5]	15.4	14.2	n/a
Highest annual return[6]	57.3	54.0	n/a
Lowest annual return[6]	-32.0	-18.4	n/a

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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 can be viewed here.

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 five-year period, the Fund has underperformed 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.	30 Jun 2021	31 Dec 2021
Cents per unit	451.9763	813.8448

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 0.2%. The maximum fee is uncapped and if the fee would have been negative, 0% 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.

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 31 March 2022 (updated quarterly)

Company	% of portfolio
Glencore	8.4
British American Tobacco	7.5
Naspers[7]	6.5
Woolworths	4.4
Nedbank	4.3
Standard Bank	3.7
Remgro	3.7
Sasol	3.6
AB InBev	3.4
Sibanye-Stillwater	3.3
Total (%)	**48.8**

7. Includes holding in stub certificates or Prosus N.V., if applicable.

Total expense ratio (TER) and transaction costs

TER and transaction costs breakdown for the 1- and 3-year period ending 31 March 2022	1yr %	3yr %
Total expense ratio	**0.01**	**0.02**
Fee for benchmark performance	1.00	1.00
Performance fees	-1.00	-0.99
Other costs excluding transaction costs	0.01	0.01
VAT	0.00	0.00
Transaction costs (including VAT)	**0.09**	**0.10**
Total investment charge	**0.10**	**0.12**

Sector allocation on 31 March 2022 (updated quarterly)

Sector	% of Fund	% of ALSI[8]
Energy	0.3	1.1
Basic materials	28.4	31.0
Industrials	4.2	3.9
Consumer staples	14.4	8.1
Healthcare	3.3	2.0
Consumer discretionary	8.7	15.9
Telecommunications	1.7	6.3
Financials	27.9	21.6
Technology	6.8	6.8
Real estate	1.6	3.4
Bonds	0.1	0.0
Money market & bank deposits	2.5	0.0
Total (%)	**100.0**	**100.0**

8. FTSE/JSE All Share Index.

Asset allocation on 30 April 2022

Asset class	Total
Net equities	94.4
Property	1.6
Bonds	0.1
Money market & bank deposits	3.9
Total (%)	**100.0**

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

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Fund manager quarterly commentary as at 31 March 2022

The Fund returned 6.7% for the quarter, better than the benchmark, which gave 3.8%.

For technology investors, the mood has shifted from euphoria to caution. This can be seen most easily in the performance of stocks like Peloton, which sells exercise bikes connected to the internet, and which is down 84% in US dollars from its peak a little over a year ago. Other technology darlings like Zoom, Delivery Hero, and Beyond Meat are all down more than 70% from their respective peak dollar share prices. In most instances, the fundamentals have not changed that much. Delivery Hero, for example, reported slightly worse guidance for 2022 than what analysts had been hoping for – which hardly seems like a sufficient reason for the stock to lose nearly EUR10 bn of value. The change in sentiment seems to be the overriding factor.

Chinese technology companies have also suffered: From their respective peaks, Meituan, Pinduoduo, JD.com, Alibaba, and Tencent have all lost more than 40% of their value in dollars. The fall in Tencent has affected Naspers, which is down 57% from its 2021 rand peak. And this during a time when almost every other large stock on our market delivered a positive return.

The technology sell-off is a reminder that when you pay a high price for a business, you had better be right about its growth prospects. We are all imperfect forecasters, and it's not always so obvious in advance which companies are going to change the world, which are going to compound for 20 years, and which are going to be outcompeted. As an investor, you can reduce your odds of losing money by being careful not to pay too high a price for growth, especially during times of very positive sentiment.

In addition, a large portion of the stocks in our universe are directly or indirectly exposed to China, and getting this call right is crucially important. The Fund has been underweight commodities, especially iron ore producers and Richemont, in order to limit exposure to China over the past few years. Large global stocks like British American Tobacco and AB InBev, that are in our top 10 and have very little exposure to China, should hold their value and protect the portfolio against Chinese setbacks.

During the quarter, the Fund bought Reinet and Thungela, and sold Impala Platinum and Standard Bank.

Commentary contributed by Jacques Plaut

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