ALLAN GRAY

Fund managers: Duncan Artus, Sean Munsie, Tim Acker
(Most foreign assets are invested in Orbis funds) **Inception date:** 1 July 2000

Allan Gray Stable Fund

C Class 30 September 2026

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

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.

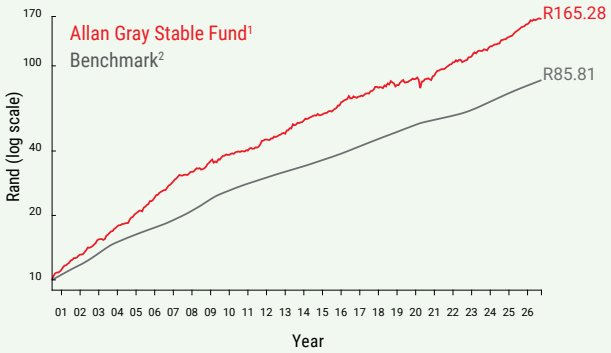
Fund information on 30 September 2026

Fund size	R63.7bn
Number of units	534 544 883
Price (net asset value per unit)	R53.55
Class	C

This class of the Fund is not available directly from Allan Gray.

Performance net of all fees and expenses

Value of R10 invested at inception with all distributions reinvested



1. The performance and risk measures prior to inception of the C Class of the Fund (1 July 2013) are calculated using the performance of the A Class of the Fund.
2. The daily interest rate, as supplied by FirstRand Bank, plus 2%, performance as calculated by Allan Gray as at 30 September 2026.
3. This data reflects the latest available headline CPI inflation numbers as at 31 August 2026 (source: Iress).
4. 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).
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 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.

% Returns	Fund[1]	Benchmark[2]	CPI inflation[3]
Cumulative:			
Since inception (1 July 2000)	1552.8	758.1	290.2
Annualised:			
Since inception (1 July 2000)	11.3	8.5	5.3
Latest 10 years	8.8	7.6	4.6
Latest 5 years	10.6	8.2	4.9
Latest 3 years	11.6	8.9	4.0
Latest 2 years	11.5	8.5	3.8
Latest 1 year	8.5	8.2	4.4
Year-to-date (not annualised)	5.5	6.1	4.2
Risk measures (since inception)			
Maximum drawdown[4]	-16.7	n/a	n/a
Percentage positive months[5]	78.7	100.0	n/a
Annualised monthly volatility[6]	5.0	0.6	n/a
Highest annual return[7]	23.3	14.6	n/a
Lowest annual return[7]	-7.2	4.6	n/a

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.	31 Dec 2025	31 Mar 2026	30 Jun 2026	30 Sep 2026
Cents per unit	**40.0800**	**39.8703**	**40.9403**	**52.4998**

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 0.00%, Allan Gray will not charge a fee.

Fee for performance equal to the Fund's benchmark: 0.80% p.a. excl. VAT

For each percentage of two-year performance above or below the benchmark, we add or deduct 0.10%, subject to the following limits:

Maximum fee: 1.30% p.a. excl. VAT
Minimum fee: 0.30% 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 30 September 2026 (SA and Foreign) (updated quarterly)[8]

Company	% of portfolio
AB InBev	2.7
AngloGold Ashanti	1.5
Sasol	1.3
Remgro	1.2
Standard Bank	1.2
British American Tobacco	1.2
Shoprite	1.1
Richemont	1.0
Naspers & Prosus	1.0
Taiwan Semiconductor Mfg	0.9
Total (%)	**13.1**

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

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

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

1- and 3-year TER and transaction costs breakdown	1yr %	3yr %
Total expense ratio	**1.59**	**1.43**
Fee for benchmark performance	0.95	0.95
Performance fees	0.60	0.45
Other costs excluding transaction costs	0.04	0.03
Transaction costs	**0.05**	**0.04**
Total investment charge	**1.64**	**1.48**

Note: All TER components and transaction costs include VAT.

Top debt issuers on 30 September 2026 (SA and Foreign) (updated quarterly)[8,9]

Issuer	% of portfolio
Republic of South Africa	18.4
Standard Bank	7.5
FirstRand	4.4
Absa	3.8
Investec	2.9
Nedbank	1.6
United States Treasury	1.5
Total (%)	**40.1**

Asset allocation on 30 September 2026[8]

Asset class	Total	South Africa	Foreign
Net equities	30.1	15.1	15.0
Hedged equities	18.4	8.4	10.0
Property	0.7	0.0	0.6
Commodity-linked	1.7	1.3	0.3
Bonds	35.9	29.5	6.4
Money market and cash[10]	13.2	9.6	3.5
Total (%)	**100.0**	**64.0**	**36.0**[11]

10. Includes the impact of any currency hedging.

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

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

Minimum	12.4% (January 2010)
Average	26.5%
Maximum	39.6% (December 2018)

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

Fund manager quarterly commentary as at 30 September 2026

The Fund's objective is to deliver long-term returns that are superior to bank deposits, while aiming to provide a high degree of capital stability and minimise the risk of loss over any two-year period. It seeks to achieve this by investing in a mix of shares, bonds, commodities and cash, both locally and offshore, based on the overall attractiveness of each underlying asset. When markets are rallying, this provides a strong underpin to returns. However, when prices are flat or down, the Fund's absolute return objective becomes that much harder to achieve.

The FTSE/JSE All Share Index has delivered a disappointing year-to-date return of -3.2%. This performance stands in stark contrast to what local equity investors have experienced in recent years, particularly when set against the stellar returns delivered in 2025. At a sector level, Financials and Resources have performed the best, delivering year-to-date returns of 3.8% and 1.2% respectively. Industrials have lagged significantly, returning -13.6% year to date.

While the Resources sector drove the market rally last year, the sector's performance so far this year has been more mixed, ranging from Sasol at the top end (+116%) to Sibanye-Stillwater (-25%). Energy-related companies and diversified miners, particularly those with copper exposure, have generally performed well, while precious metal miners have struggled. The hawkish shift in global central bank interest rate expectations, driven by resurgent inflation, has created a near-term headwind for the gold price. The longer the conflicts in the Middle East and Ukraine persist, the greater the risk that higher crude oil and refined product prices feed through into a broader basket of goods, services and, ultimately, wages.

The sharp rise in developed market government bond yields reflect these fears, along with concerns regarding the debt issuance needed to fund future borrowing requirements amid greater competition for investor capital. While South African government bond yields have weakened from their lows earlier this year, the FTSE/JSE All Bond Index has outperformed developed market peers, generating a return of 3.5% year to date. Investors continue to benefit from improving fiscal dynamics and the adoption of a lower inflation target, assisted by rand stability and favourable terms of trade that were supported by the strong precious metal prices.

Naspers and Prosus rank among the worst-performing shares in the Industrials sector year to date. The market is questioning Tencent's position in the artificial intelligence (AI) race relative to Alibaba and ByteDance, while near-term profitability has been weighed down by heavy AI investment.

Within the local economy, the effects of muted growth and pressure on consumers have not been felt uniformly across listed companies. The earnings of local banks and insurers, operating in a more regulated and perhaps less contested market, have generally grown in line with, or above, market expectations – although market expectations were not overly ambitious at the outset. Conversely, retailers across both Consumer staples and Consumer discretionary categories, many of which have historically traded at premium earnings multiples, face heightened competition for an increasingly strained consumer wallet. In some instances, the market appears to be factoring the adverse scenario into company valuations in perpetuity, creating an opportunity for longer-term, contrarian investors.

Against a more challenging market backdrop than investors have experienced in recent years, the Fund has returned 5.5% year to date. Local equity stock selection has contributed positively to the Fund's return. Overweight holdings in AB InBev and Sasol, along with underweight exposure to precious metal miners, as well as Naspers and Prosus, were among the largest contributors to relative outperformance. Hedging instruments have also helped shield the Fund from broader equity market weakness. Within the Fund's offshore exposure, the underlying Orbis funds also contributed positively to performance.

During the quarter, the Fund added to its holdings in Prosus, Clicks and Truworths following share price weakness and trimmed its holdings in Richemont and Gold Fields.

Commentary contributed by Sean Munsie

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Management Company

Allan Gray Unit Trust Management (RF) (Pty) Ltd (the "Management Company") is registered as a management company under the Collective Investment Schemes Control Act 45 of 2002, in terms of which it operates unit trust portfolios under the Allan Gray Unit Trust Scheme, and is supervised by the Financial Sector Conduct Authority (FSCA). The Management Company is incorporated under the laws of South Africa and has been approved by the regulatory authority of Botswana to market its unit trusts in Botswana, however, it is not supervised or licensed in Botswana. Allan Gray (Pty) Ltd (the "Investment Manager"), an authorised financial services provider, is the appointed investment manager of the Management Company and is a member of the Association for Savings & Investment South Africa (ASISA). The trustee/custodian of the Allan Gray Unit Trust Scheme is Rand Merchant Bank, a division of FirstRand Bank Limited. The trustee/custodian can be contacted at RMB Custody and Trustee Services: Tel: +27 (0)11 301 6335 or www.rmb.co.za.

Performance

Collective investment schemes in securities (unit trusts or funds) are generally medium- to long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to future performance. Movements in exchange rates may also cause the value of underlying international investments to go up or down. The Management Company does not provide any guarantee regarding the capital or the performance of the Fund. Performance figures are provided by the Investment Manager and are for lump sum investments with income distributions reinvested. Actual investor performance may differ as a result of the investment date, the date of reinvestment and dividend withholding tax.

Fund mandate

Funds may be closed to new investments at any time in order to be managed according to their mandates. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. The funds may borrow up to 10% of their market value to bridge insufficient liquidity.

Unit price

Unit trust prices are calculated on a net asset value basis, which is the total market value of all assets in the Fund, including any income accruals and less any permissible deductions from the Fund, divided by the number of units in issue. Forward pricing is used and fund valuations take place at approximately 16:00 each business day. Purchase and redemption requests must be received by the Management Company by 14:00 each business day to receive that day's price. Unit trust prices are available daily on www.allangray.co.za.

Fees

Permissible deductions may include management fees, brokerage, securities transfer tax, auditor's fees, bank charges and trustee fees. A schedule of fees, charges and maximum commissions is available on request from Allan Gray.

Total expense ratio (TER) and transaction costs

The total expense ratio (TER) is the annualised percentage of the Fund's average assets under management that has been used to pay the Fund's actual expenses over the past one- and three-year periods. The TER includes the annual management fees that have been charged (both the fee at benchmark and any performance component charged) and other expenses like audit and trustee fees. Transaction costs (including brokerage, securities transfer tax, Share Transactions Totally Electronic (STRATE) and FSCA Investor Protection Levy) are shown separately. All TER components and transaction costs include VAT, where applicable. Transaction costs are necessary costs in administering the Fund and impact Fund returns. They should not be considered in isolation as returns may be impacted by many other factors over time, including market returns, the type of financial product, the investment decisions of the investment manager, and the TER. Since Fund returns are quoted after the deduction of these expenses, the TER and transaction costs should not be deducted again from published returns. As unit trust expenses vary, the current TER cannot be used as an indication of future TERs. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. Instead, when investing, the investment objective of the Fund should be aligned with the investor's objective and compared against the performance of the Fund. The TER and other funds' TERs should then be used to evaluate whether the Fund performance offers value for money. The sum of the TER and transaction costs is shown as the total investment charge (TIC).

Compliance with Regulation 28

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

Foreign securities

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

FTSE/JSE indices

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FTSE Russell Index

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