

ALLAN GRAY

**AN OVERVIEW FOR
NAMIBIAN INVESTORS**

EFFECTIVE 4 APRIL 2016

CONTENTS

| | | | |
|----|--|----|--|
| 01 | ALLAN GRAY NAMIBIA | 11 | CONTRIBUTING TO NATION-BUILDING IN AFRICA |
| 03 | WHAT MAKES ALLAN GRAY DIFFERENT | 12 | OUR TEAM |
| 04 | OUR INVESTMENT PHILOSOPHY | 14 | COMPANY DETAILS |
| 07 | THE BENEFITS OF INVESTING WITH ALLAN GRAY | 15 | LEGAL NOTES |
| 08 | INVESTMENT PERFORMANCE | | |
| 10 | WHAT YOU CAN EXPECT FROM ALLAN GRAY | | |

WHO WE ARE

We strive to create long-term wealth for our investors

Allan Gray has been managing assets for Namibian clients since it won its first mandate in 1984, a client that is still with the group today.

Allan Gray Namibia (Proprietary) Limited (Allan Gray Namibia) was founded in 1996 as an independent investment management company to better serve the group's Namibian clients, in particular with regard to domestic investment opportunities.

Allan Gray Namibia is part of the broader Allan Gray Group. Our headquarters are in Cape Town, but we have a presence in several African countries. Outside of our offices in South Africa and Namibia, we are present in Botswana, Nigeria and Swaziland.

ABOUT ALLAN GRAY

We are Africa's largest privately-owned and independent investment management company

We are Africa's largest privately-owned investment management company, focused on generating long-term wealth for our investors. While we have been investing on behalf of clients since 1974, our future success depends on our ability to help clients achieve their investment objectives. Our clients include individuals, retirement funds, insurers, trusts, companies and foundations. They invest across the world through segregated portfolios or in our focused range of unit trusts, retirement products and life insurance investment pools.

OUR APPROACH TO INVESTMENT MANAGEMENT

We take an integrated approach to managing investments

We have a team of professionals performing investment management and research, trading, compliance, portfolio accounting, client service and investor administration within the same group.

ACCESS TO A CONSISTENT GLOBAL APPROACH

We have an international partnership with the Orbis Group and Allan Gray Australia

Dr. Allan W B Gray founded both Allan Gray and Orbis. We share the same investment approach, commitment to long-term wealth creation and ethos. The relationship we have with Orbis and Allan Gray Australia extends to a sharing of global investment ideas and advice on and management of certain portfolios. Orbis is a global asset manager based in Bermuda with offices around the world.



WHAT MAKES ALLAN GRAY DIFFERENT

GUIDING PRINCIPLES

Investment convictions always come before business considerations

As an investment manager we focus on generating long-term performance, not on increasing our assets under management. We are also a fiercely independent private company, which means external factors, such as short-term shareholder interests, are minimised.

We are committed to 'bottom-up', fundamental research

Our investment decisions are based on exhaustive, proprietary, fundamental research. It is our experience that understanding companies and investing in them when they represent fundamental value is more rewarding than trying to predict economic, political or stock market trends.

Contrarian

We are not afraid of being contrarian and do not pay any attention to consensus opinions, our peer group or the investment benchmark when making investment decisions. We seek opportunities to buy/sell when most investors appear to be doing the opposite. We invest with conviction and we back our best ideas with significant holdings.

Total integrity

Your trust in us is paramount. Trust is earned from unquestionable business ethics and honest, transparent communication – not promising what we cannot deliver. We act by a strongly held set of values.

VALUES

Client-focused

We always put our clients' interests first and avoid (not manage) conflicts of interest. We try to build our clients' trust and confidence in us through offering excellent client service.

Performance-driven

Our business model and the way that we pay our team is designed to encourage excellence. Our performance-based investment management fees make our income more sensitive to long-term investment performance than the size of assets under management. Our senior executives are shareholders in the business. This aligns their long-term interests with those of our clients. All other staff have a substantial portion of their remuneration in the form of performance-based bonuses.

Long-term orientation

We try to establish long-term relationships with clients who believe in us and share our conviction in our investment approach. We offer an uncluttered range of products and services where we believe the application of our skills can add value and be enduring by nature.

Individually accountable

We have great faith in the power of the individual to make a difference. We believe that the best decisions are made by individuals not committees and we accept responsibility for the consequences of our actions.

OUR INVESTMENT PHILOSOPHY

WE TRY TO BUY A COMPANY FOR LESS THAN WHAT IT'S WORTH AND SELL IT ONCE IT REACHES ITS INTRINSIC VALUE

At the core of our investment philosophy, we simply use our analysis of the fundamentals of a business to determine its intrinsic or underlying value or worth. We then compare this with the price the market places on this (the share price).

WE DETERMINE HOW MUCH A BUSINESS IS WORTH

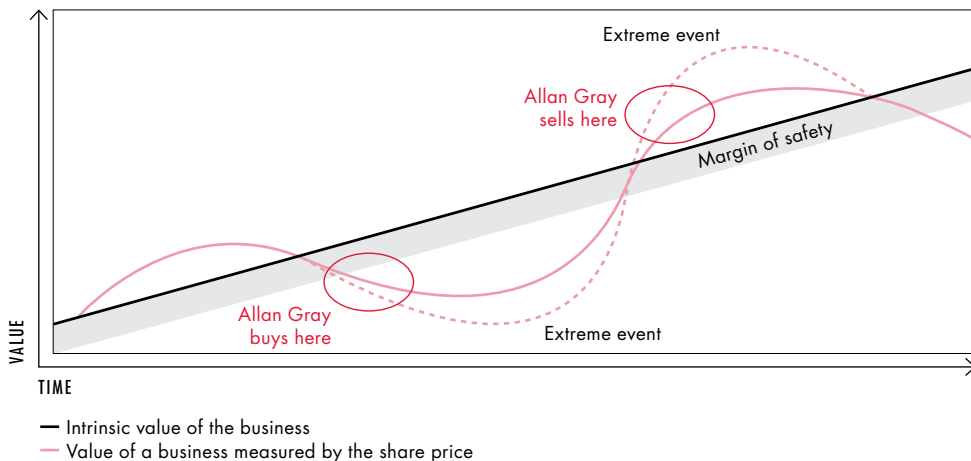
The intrinsic value is the value that a prudent businessman would pay for a business. We put ourselves in the shoes of a businessman who has to purchase 100% of the business and is unable to liquidate his investment on a daily basis on the stock market.

THE INTRINSIC VALUE TELLS US WHETHER A PRICE OF A SHARE REPRESENTS VALUE FOR MONEY

We do not believe that the intrinsic value changes dramatically from one six-month period to the next. Rather, over time, value should increase by the steady growth of earnings, dividends and net assets. This focus equips us to evaluate whether the price of a share represents value for money.

SHARE PRICES ARE DRIVEN BY SENTIMENT IN THE SHORT TERM

The price of a share at any given moment is a reflection of the attitude of all market participants towards its current and future prospects. Therefore, in the short term overly optimistic or overly pessimistic market participants can drive the price of a share away from its business value. For this reason, we pay little attention to short-term price movements.



THE INTRINSIC VALUE IS OFTEN DIFFERENT TO THE SHARE PRICE OF THE BUSINESS

It is important to realise that investing in a great company is no guarantee of great investment returns if the price paid is too high relative to the value of the business. The difference between long-term business value and the short-term share price creates investment opportunities. This is what drives our investment decisions. Understanding the difference between the price the market places on a business and the long-term value of the business should drive all investment decisions. In other words we do not buy shares because we think they are going to go up – we try to buy businesses for less than they are worth.

YOU PAY MORE FOR WHAT IS POPULAR: ALLAN GRAY PAYS LITTLE ATTENTION TO TRENDS

Investing in popular shares or industries carries far less career or business risk for an asset manager. The result is that unpopular shares tend to outperform more 'popular' shares over the long term. The popular shares of the time tend to command high prices relative to their business value. Owning them is also easier to justify to oneself and clients.

BUYING UNPOPULAR SHARES CAN BE A LONELY TASK

If a popular share turns out to be a poor investment it is comforting to point out that lots of other people owned the share too. Buying shares that are out of favour is often a very lonely task.

WE BUY SHARES WITH A MARGIN OF SAFETY TO HELP MINIMISE CAPITAL LOSS

By investing in a business when its share price is well below its intrinsic value we are offered some protection should things turn out worse than we forecast (i.e. a 'margin of safety' exists).

THE MARGIN OF SAFETY COMPENSATES FOR THE UNCERTAINTY OF THE FUTURE

We try to always buy shares that offer us a margin of safety. We do this because any valuation of a business contains assumptions about the future. We do not have a crystal ball and so the future often does not work out the way we expected or wanted.

WE SELL SHARES ONCE THEY REACH INTRINSIC VALUE TO REDUCE RISK OF CAPITAL LOSS

We sell shares when the intrinsic or underlying value approximates the share price. At this stage, the market has recognised the business value and bid up the share price and the share performs in line with its fundamentals.

WE AIM TO SELL AT FAIR VALUE – WHICH MAY CAUSE SHORT-TERM RELATIVE UNDERPERFORMANCE

By selling the share at fair value we do not expose our investors to risk of permanent capital loss that can often occur. We would rather reinvest the proceeds from the sale in another share trading at a discount to business value. This implies that it is possible that we will periodically underperform in the short term.

THE BENEFITS OF INVESTING WITH ALLAN GRAY

EXCELLENT INVESTMENT TRACK RECORD

Since we started managing funds in 1974, we have consistently achieved superior returns at lower-than-average risk of loss. Our performance track record has been achieved by applying a simple, clearly defined investment philosophy based on sound business principles. We pride ourselves on the quality of our in-house fundamental research.

VALUE FOR MONEY

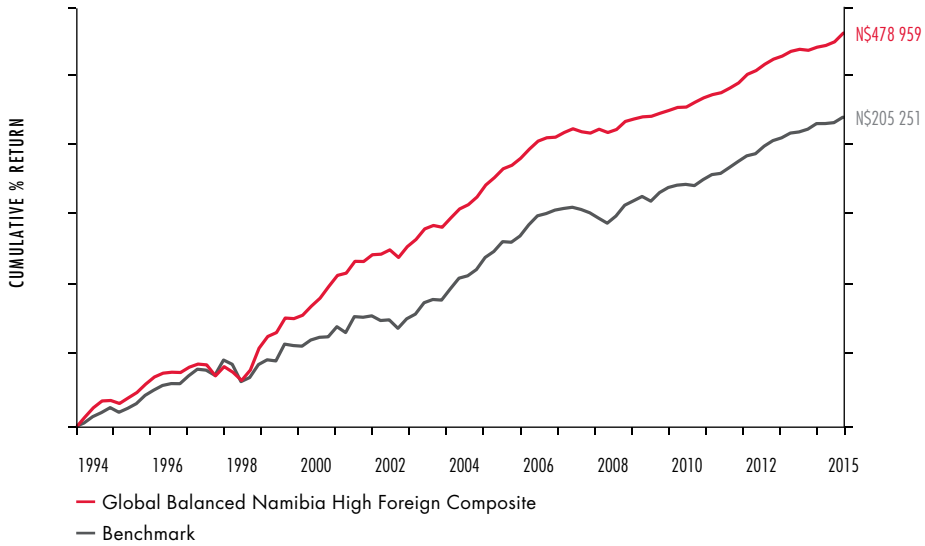
We aim to provide our investors with superior performance after deducting our investment management fee. Our core source of income is a performance-related investment management fee charged on assets under management.

SIMPLICITY OF CHOICE

We provide access to an uncomplicated range of unit trusts. Our unit trusts are designed to enable you to easily select an underlying fund to suit your risk profile.

INVESTMENT PERFORMANCE

GRAPH 1 GLOBAL BALANCED NAMIBIA HIGH FOREIGN COMPOSITE VS THE BENCHMARK

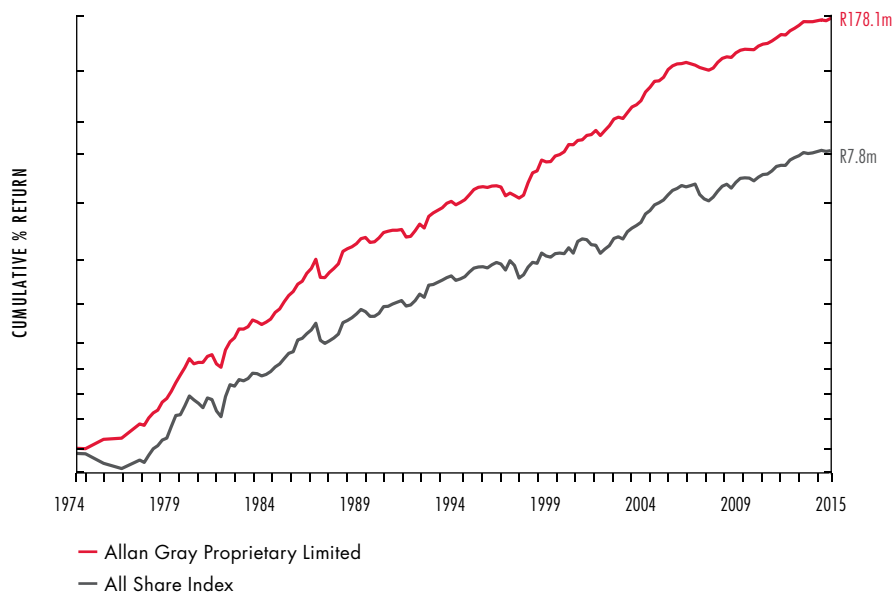


An investment of N\$10 000 in the Global Balanced Namibia High Foreign Composite on 1 January 1994 would have grown (before fees) to N\$478 959 by 31 December 2015.

Allan Gray Namibia offers segregated investment mandates that invest in a range of Namibian and foreign equities as well as fixed interests.

Benchmark is the average return of Namibian Investment managers with similar mandates as supplied by Alexander Forbes.

GRAPH 2 ALLAN GRAY PROPRIETARY LIMITED SHARE RETURNS VS THE FTSE/JSE ALL SHARE INDEX



An investment of R10 000 in a South African share portfolio managed by Allan Gray on 15 June 1974 would have grown (before fees) to R178.1m by 31 December 2015.

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 Africa Series 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.

WHAT YOU CAN EXPECT FROM ALLAN GRAY

TRUST

Your trust in us is paramount. We aim to earn and retain your trust through unquestionable business ethics and honest communication.

TRANSPARENCY

All fees are fully disclosed and we will keep you regularly informed on all aspects of your investment.

FLEXIBILITY

You may switch between approved unit trusts at any time.

FREEDOM

You may transfer your investment to approved products, at no cost or penalty (subject to prevailing legislation).

PROMPT SERVICE

We take great pride in providing an efficient, personalised service, which we continually strive to improve.

INVESTOR EDUCATION IN AFRICA

We believe in the importance of promoting investor education, strengthening independent financial advisers and helping to improve the decision making of regulators. Several of our business initiatives focus on sharing our knowledge and skills to promote growth in Africa.

CONTRIBUTING TO NATION-BUILDING IN AFRICA

ALLAN GRAY ORBIS FOUNDATION

The Allan Gray Orbis Foundation was founded in 2005, emerging from the vision of Dr Allan W B Gray and Allan Gray Proprietary Limited to make a sustainable long-term contribution to nation-building and economic transformation in Africa. The Foundation in Namibia is funded by a 15% equity interest in Allan Gray Namibia. It also receives 5% of Allan Gray Namibia's post-tax profits in perpetuity.

A NEW GENERATION OF HIGH-IMPACT ENTREPRENEURIAL LEADERS

The Foundation believes that in the coming years there will emerge from diverse communities a new generation of high-impact entrepreneurial leaders: individuals of passion, integrity and innovation who will be at the forefront of the continuing transformation of this continent. It is expected that these high impact entrepreneurial leaders will contribute significantly to positive economic, social and possibly political change in the countries of their birth.

FELLOWSHIP OPPORTUNITIES

Through its Fellowship opportunity, the Foundation identifies, selects and invests in Namibian individuals who it believes have the potential for greatness over the long term. The Foundation offers Allan Gray Fellowships to Africa's pioneering bright young students who are about to attend university (known as Allan Gray Candidate Fellows) and who have the potential to become Africa's future high-impact entrepreneurial leaders. The Fellowship includes comprehensive financial support alongside exposure to thought leaders, mentorship and entrepreneurial mind-set development. There is further access to postgraduate funding, available to those who have excelled in the Fellowship.

CREATING LASTING CHANGE AND POSITIVE IMPACT

Once their formal education is completed, the Foundation continues its journey with the Allan Gray Fellows and encourages them to attain work experience that complements personal passion, purpose and skills development. It is the Foundation's hope that Fellows will then move into areas of influence where they will effect lasting change and a positive impact. Importantly, the Foundation will provide funding to start a business to any Namibian Allan Gray Fellow who presents an attractive, high-impact proposition to the Foundation.

Ten percent of the equity within Allan Gray Namibia has been allocated to a trust for the benefit of staff. This is in line with the practice at Allan Gray Group Limited, where senior investment professionals and business managers participate in the equity ownership via a similar arrangement.

OUR TEAM



ROB DOWER
Chairman

Rob joined Allan Gray in August 2003 and was appointed chief operating officer in June 2009. He is responsible for the operational management of the business. Rob was formerly a management consultant with McKinsey and is a graduate of University of Cape Town and of INSEAD. He is a director of Allan Gray Proprietary Limited.



THANDO MHLAMBISO
Non-executive director: Namibia

Thando leads Allan Gray's activities outside South Africa. Over the last 25 years, he has worked in various capacities in principal investing, investment banking and corporate law in Southern Africa and the US. Thando earned a Bachelor of Arts in Biology from Brown University, an MBA in Finance from Columbia University Graduate School of Business and a Juris Doctorate from Columbia University School of Law.



JAMES MNYUPE
Managing director

James joined Allan Gray Namibia in March 2010, having previously worked for PwC Windhoek since 2007. He is a graduate of Rhodes University, a qualified chartered accountant and a CFA charter holder. James is responsible for charting the overall course of the Namibian business.



BIRTE SCHNEIDER
Head of research

Birte joined Allan Gray Namibia in April 2011 and is an investment analyst with a focus on Namibian and Africa ex-SA companies. She completed her B Acc (Hons) degree at the University of Stellenbosch in 2006, her M Phil in Finance at the University of Cambridge in 2008 and is a CFA charter holder. Prior to joining Allan Gray she completed her articles at PwC Windhoek where she qualified as a Chartered Accountant.



ANGELIQUE SCOTT
Head of operations: Africa
(excluding South Africa)

Angelique has spent the past 17 years in the financial services industry and has operational experience across all areas of business, including marketing and distribution, client service and operations. She joined Allan Gray in 2006. She holds a Bachelor of Economics and an MBA from the University of Stellenbosch.



DANNY VAN WYK
Client service consultant

Danny completed his undergraduate degree with a major in financial accounting at the Polytechnic of Namibia. He joined Allan Gray Namibia in May 2007 as a portfolio administrator. In his current role he is responsible for client service and the day-to-day running of the Namibian Office.

COMPANY DETAILS

Business Address

2 Heritage Square
100 Robert Mugabe Avenue
Windhoek
Namibia

Contact Details

Tel: +264 (61) 22 11 03
Fax: +264 (61) 22 11 61
Email: info@allangray.com.na
Website: www.allangray.com.na

Registration Details

Allan Gray Namibia (Proprietary) Limited
Registration Number: 96/212

Allan Gray Namibia Unit Trust Management Limited
Registration Number 2010/0120

Allan Gray Namibia (Proprietary) Limited and Allan Gray Namibia Unit Trust Management Limited are incorporated in Namibia and regulated by the Namibia Financial Institutions Supervisory Authority (NAMFISA). It is an approved and licenced management company.

Allan Gray Proprietary Limited is a private company incorporated in South Africa and a financial services provider authorised by the Financial Services Board in South Africa in terms of the Financial Advisory and Intermediary Services Act 2002. Allan Gray is not authorised to and does not provide financial advice.

LEGAL NOTES

GENERAL DISCLAIMER

No information provided should be construed, or relied upon, as advice. If you require financial and/or investment advice, please engage the services of an independent financial adviser.

“Allan Gray” means or includes Allan Gray Proprietary Limited, its holding company and all of its subsidiary and associate companies, including Allan Gray Namibia (Proprietary) Limited.

Allan Gray cannot be held responsible for any damages or losses that occur from transactions and/or services in contravention of the relevant laws or regulations of the investor’s home jurisdiction.

Past performance is not necessarily a guide to future performance.

AVAILABILITY AND SUITABILITY OF FINANCIAL SERVICES AND PRODUCTS

Financial services, products or investments may not be available to persons resident in jurisdictions where such availability or distribution would contravene local law or regulation. Allan Gray does not address information on such services, products or investments to, or intend the information for use by these persons.

Before obtaining a financial service or product from Allan Gray, you must inform Allan Gray whether or not you are allowed to obtain such product in your home jurisdiction. You must take note of the terms relating to eligible investor status in the terms and conditions and account opening documents of every service or product. You will be required to confirm your status when investing.

The information and content (collectively ‘information’) in this booklet 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. Any information in this document is not intended nor does it constitute financial, tax, legal, investment, or other advice. Please consult your financial adviser, tax consultant or solicitor if you require any advice regarding the information. Nothing contained in any service or any other content on our website constitutes a solicitation, recommendation, endorsement or offer by Allan Gray, but is merely an invitation to do business.

COPYRIGHT NOTICE

The content of this booklet is owned by Allan Gray or its licensors and protected by copyright and other intellectual property laws. All rights not expressly granted are reserved. Allan Gray authorises you to use the content, but only for information, non-commercial and private purposes.

ALLAN GRAY

2 Heritage Square 100 Robert Mugabe Avenue Windhoek
P O Box 230 Windhoek Namibia
Tel: +264 (61) 22 11 03 Fax: +264 (61) 22 11 61
Email: info@allangray.com.na www.allangray.com.na