

## Fund description

The Fund invests in a mix of shares, bonds, property, commodities and cash. The Fund may buy assets outside the common monetary area (CMA) up to a maximum of 40% of the Fund. 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.

## Fund objective and benchmark

The Fund aims to earn a higher total rate of return than that of the average Namibian retirement fund investment manager over the long term. The benchmark is the return of a daily weighted average index of Namibian multi asset class funds that comply with the limits governing Namibian retirement 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

Minimum lump sum per investor account	N\$20 000
Additional lump sum	N\$500
Minimum debit order	N\$500

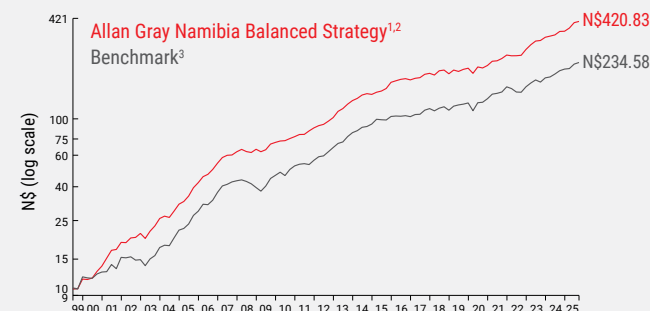
## Fund information on 30 September 2025

Fund size	N\$6 139m
Price	N\$3 079.30
Number of share holdings	45
Class	B

- On 1 February 2014, all the assets and unitholder liabilities of the Allan Gray Namibia Investment Trust were transferred to the Allan Gray Namibia Balanced Fund. The investment philosophy, strategy, fund objective, mandate, restrictions and fund managers remain unchanged.
- The performance and risk measures prior to inception of the B Class of the Fund (1 October 2014) are calculated using the performance of the A Class of the Fund.
- The current benchmark is the return of a daily weighted average index of Namibian multi-asset class funds that comply with the limits governing Namibian retirement funds, which is provided by Morningstar. From inception to 30 September 2014 the benchmark was the average Alexander Forbes Namibia Manager Watch Survey. Performance as calculated by Allan Gray as at 30 September 2025.
- Maximum percentage decline over any period calculated from monthly returns. The maximum drawdown occurred from 31 January 2020 to 31 March 2020 and maximum benchmark drawdown occurred from 31 May 2008 to 28 February 2009. Drawdown is calculated on the total return of the Fund/benchmark (i.e. including income).
- The percentage of calendar months in which the Fund produced a positive monthly return since inception.
- The standard deviation of the Fund's monthly return. This is a measure of how much an investment's return varies from its average over time.
- These are the highest or lowest consecutive 12-month returns since inception. This is a measure of how much the Fund and the benchmark returns have varied per rolling 12-month period. The Fund's highest annual return occurred during the 12 months ended 31 May 2001 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 30 April 2009 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 (N\$) net of all fees and expenses

Value of N\$10 invested at inception with all distributions reinvested



% Returns	Strategy <sup>1,2</sup>	Benchmark <sup>3</sup>
<b>Cumulative:</b>		
Since inception (12 August 1999)	4108.3	2245.8
<b>Annualised:</b>		
Since inception (12 August 1999)	15.4	12.9
Latest 10 years	10.2	8.7
Latest 5 years	14.7	12.5
Latest 3 years	18.6	16.2
Latest 2 years	16.6	16.7
Latest 1 year	20.0	16.5
Year-to-date (not annualised)	19.6	13.9
<b>Risk measures (since inception)</b>		
Maximum drawdown <sup>4</sup>	-8.5	-20.2
Percentage positive months <sup>5</sup>	73.5	63.6
Annualised monthly volatility <sup>6</sup>	8.0	9.9
Highest annual return <sup>7</sup>	47.4	45.6
Lowest annual return <sup>7</sup>	-5.2	-19.2

Income distributions for the last 12 months

To the extent that income earned in the form of dividends and interest exceeds expenses in the Fund, the Fund will distribute any surplus biannually.	31 Dec 2024	30 Jun 2025
Cents per unit	3531.5266	4957.9580

Annual management fee

Allan Gray charges a fee on the portion of the fund they manage, 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.\*

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.\*

Minimum fee: 0.50% p.a.\*

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.

\*Management fees charged for the management of unit trust portfolios do not attract VAT.

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 actual expenses incurred by a 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 as at 30 September 2025 (CMA and Foreign) (updated quarterly)

Holdings	% of portfolio
Naspers & Prosus	3.3
FirstRand Namibia	2.8
AB InBev	2.7
British American Tobacco	2.0
AngloGold Ashanti	1.8
Glencore	1.7
Standard Bank Group	1.5
Stimulus	1.4
Oryx Properties	1.3
Taiwan Semiconductor Mfg	1.3
Total (%)	20.1

8. 6.3% invested in companies incorporated outside Namibia but listed on the NSX. Including dual-listed commodity-linked ETFs, total exposure to dual-listed instruments is 9.8%.

9. Includes the impact of any currency hedging.

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

Asset allocation on 30 September 2025

Asset class	Total	Namibia <sup>a</sup>	South Africa	Africa ex-SA and Namibia	Foreign ex-Africa
Net equities	58.4	14.1	18.9	1.1	24.2
Hedged equities	4.5	0.0	0.0	0.0	4.5
Property	2.1	1.3	0.0	0.0	0.8
Commodity-linked	4.4	3.5	0.0	0.0	0.9
Bonds	22.4	19.0	0.0	0.6	2.7
Money market and cash <sup>a</sup>	8.3	7.2	0.0	0.1	1.0
Total (%)	100.0	45.2	19.0	1.8	34.0

Total expense ratio (TER) and transaction costs (updated quarterly)

TER and transaction costs breakdown for the 1 and 3-year period ending 30 June 2025	1yr %	3yr %
Total expense ratio	1.59	1.63
Fee for benchmark performance	1.03	1.02
Performance fees	0.52	0.56
Other costs excluding transaction costs	0.04	0.04
Transaction costs	0.06	0.06
Total investment charge	1.65	1.69

The Fund has delivered 20% year to date, outperforming its benchmark by 6%. Over the last three years, the Fund has achieved an annualised return of 19%, compared to inflation of 4%. While the performance is pleasing, we recognise that the level of real returns generated is higher than what we would expect the Fund to sustain over the long term.

The Fund has benefitted from the tailwinds of strong Namibian, South African and global markets. Locally, the FTSE NSX Local Index returned 18% year to date. In South Africa, the FTSE/JSE All Share Index (ALSI) reached an all-time high, surpassing the 100 000 level for the first time and delivering a 32% year-to-date return. However, the strength of the index has been narrow, driven largely by gains in Naspers/Prosus and precious metal shares. Much of the broader market has lagged. Many South African focused companies (SA Inc shares) have surrendered the gains made in 2024, as initial optimism around the government of national unity has not yet translated into materially stronger economic growth. We are finding more bargains among SA Inc shares where valuations have become more attractive.

South African bonds have had a strong year, supported by declining global interest rates, expectations of lower inflation and a lower repo rate in South Africa, and a reduction in the risk premium demanded by foreign investors. In comparison, local bonds lagged, with a 9% year-to-date return, still well ahead of inflation. The spread between South African and Namibian bonds widened, driven by a record-high local borrowing requirement of N\$23 billion for the current fiscal year, which is partly due to the imminent Eurobond redemption in October 2025, alongside uncertainty regarding the new regime's policy outlook and fiscal trajectory. In light of this turbulence, we continue to balance attractive real returns from long bonds with allocations to cash and shorter-duration bonds that offer a compelling alternative and provide valuable optionality.

Gold shares have delivered exceptional recent returns and now account for 16% of the South African index. While each company has its own idiosyncratic fundamentals, the dominant driver has been the rising gold price. Gold and

shares of gold mining companies can offer valuation diversification benefits in a portfolio. At the current gold price, valuations for gold shares are not high, which adds to their appeal. However, forecasting the gold price with confidence is notoriously difficult, so some humility in this area is advised. History reminds us that most gold mining companies have been poor businesses over the long term, often destroying value through acquisitions or overspending on new projects. We balance these factors by carefully considering the Fund's total exposure to the sector, without blindly anchoring to the weight in the index. We encourage readers who are interested in finding out more about our view of gold and gold mining shares to read our [article on gold](#) in our Q2 2025 *Quarterly Commentary* and to [listen to episode 28](#) of *The Allan Gray Podcast*.

Global markets have extended their strong run, with a 17% year-to-date return for the MSCI World Index. The Fund's offshore allocation has produced strong relative returns, making a meaningful contribution to overall outperformance of its benchmark. This may be surprising given our significant underweight to the US and mega-cap technology shares. Noteworthy contributors have included defence companies, critical energy infrastructure, and select idiosyncratic opportunities such as Nebius Group. We continue to view global markets as fully valued, with prices reflecting high expectations. This suggests an environment that calls for caution. The Fund's global holdings continue to look very different from the World Index.

**Commentary contributed by Tim Acker and Birte Schneider**

**Fund manager quarterly commentary as at 30 September 2025**

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## Management Company

Allan Gray Namibia Unit Trust Management Company is an approved management company in terms of the Unit Trusts Control Act 54 of 1981 as amended, and is incorporated and registered under the laws of Namibia and supervised by the Namibia Financial Institutions Supervisory Authority (NAMFISA). The trustee and custodian is Standard Bank Namibia.

## Performance

Unit trusts 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. Where annualised performance is mentioned, this refers to the average return per year over the period.

## Unit price

Unit trust prices are calculated daily on a net asset value basis, which is the total market value of all assets in the portfolio, including any income accruals and less any permissible deductions from the portfolio, divided by the number of units in issue.

## Redemptions

Allan Gray Namibia Unit Trust Management Company will repurchase any number of units offered to it on the basis of prices calculated in accordance with the requirements of the Unit Trusts Control Act 54 of 1981 as amended and on the terms and conditions set forth in the trust deed.

## 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 investor protection levies where applicable) 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, FTSE/JSE All Bond Index and FTSE/JSE Financials Index

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## Compliance with Regulation 13

The Fund is managed to comply with Regulation 13 of the Pension Funds Act 24 of 1956. Exposures in excess of the limits prescribed in Regulation 13 shall be dealt with in accordance with Regulations. Notwithstanding the aforesaid, the Fund does not hold Unlisted Investments in accordance with Regulation 13(5) and the Management Company does not monitor compliance by retirement funds with section 19(4) of the Pension Funds Act.

## FTSE Russell Index

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## MSCI Index

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