

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 portfolio 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

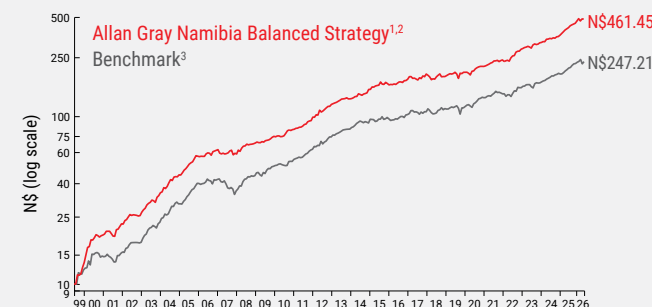
Fund information on 30 June 2026

Fund size	N\$7 223m
Price (net asset value per participatory interest)	N\$3 327.21
Number of share holdings	46
Class	B

- On 1 February 2014, all the assets and investor 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 Alexforbes Namibia Manager Watch Survey. Performance as calculated by Allan Gray as at 30 June 2026.
- 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 ^{1,2}	Benchmark ³
Cumulative:		
Since inception (12 August 1999)	4514.5	2372.1
Annualised:		
Since inception (12 August 1999)	15.3	12.7
Latest 10 years	9.8	8.7
Latest 5 years	14.6	10.9
Latest 3 years	14.5	11.6
Latest 2 years	17.5	13.3
Latest 1 year	16.5	11.8
Year-to-date (not annualised)	5.7	0.5
Risk measures (since inception)		
Maximum drawdown ⁴	-8.5	-20.2
Percentage positive months ⁵	73.3	64.0
Annualised monthly volatility ⁶	8.0	9.9
Highest annual return ⁷	47.4	45.6
Lowest annual return ⁷	-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 2025	30 Jun 2026
Cents per participatory interest	4670.3408	5068.6017

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 0.10%, 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 portfolios in collective investment schemes 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 June 2026 (CMA and Foreign) (updated quarterly)

Company	% of portfolio
AB InBev	3.0
FirstRand Namibia	2.6
Naspers & Prosus	2.2
Glencore	1.9
British American Tobacco	1.9
Standard Bank Group	1.7
AngloGold Ashanti	1.7
Samsung Electronics	1.6
Taiwan Semiconductor Mfg	1.6
Nedbank	1.5
Total (%)	19.6

8. 7.2% invested in companies incorporated outside Namibia but listed on the NSX. Including dual-listed commodity-linked ETFs, total exposure to dual-listed instruments is 9.6%.

9. Includes the impact of any currency hedging.

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

Asset allocation on 30 June 2026

Asset class	Total	Namibia ⁸	South Africa	Africa ex-SA and Namibia	Foreign ex-Africa
Net equities	57.8	14.5	17.8	1.2	24.3
Hedged equities	4.3	0.0	0.0	0.0	4.3
Property	1.9	1.1	0.0	0.0	0.7
Commodity-linked	2.8	2.4	0.0	0.0	0.4
Bonds	27.2	22.9	0.0	0.5	3.7
Money market and cash ⁹	6.0	5.0	0.0	0.1	0.8
Total (%)	100.0	46.0	17.8	1.8	34.3

Total expense ratio (TER) and transaction costs for periods ending 31 March 2026 (updated quarterly)

1- and 3-year TER and transaction costs breakdown	1yr %	3yr %
Total expense ratio	1.64	1.64
Fee for benchmark performance	1.03	1.02
Performance fees	0.57	0.57
Other costs excluding transaction costs	0.04	0.04
Transaction costs	0.08	0.06
Total investment charge	1.71	1.70

The Fund has returned 5.7% year to date, outperforming its benchmark by 5.2%. On a long-term basis, the absolute level of recent real returns is above what we would expect to deliver through the cycle. Long may it last.

Local equities have had a relatively strong year. The FTSE NSX Local Index returned 6.3% for the quarter and 10.7% year to date, supported by high shareholder distributions and earnings growth. Valuations remain undemanding for many of the key names we own.

After a negative first quarter, local bonds rallied this quarter with the IJG All Bond Index returning 6.7%, lifting its year-to-date total return into positive territory. Real yields compressed over the quarter, driven by lower nominal yields from the bond rally and higher inflation, following oil price shocks caused by the disruption of oil flows in the Strait of Hormuz.

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

As we reduced our positions in precious metals and British American Tobacco over the past year, we used the opportunity to initiate or add to positions that, in our view, improve the quality of the Fund. These include companies we have been materially underweight for some time, such as luxury goods group Richemont and food retailer Shoprite. Given their strong business fundamentals, it may be hard to believe that both shares underperformed the broader market until recently.

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

Commentary contributed by Duncan Artus and Tuyeni Akwenye

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

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Manager

Allan Gray Namibia Unit Trust Management Company is an approved manager of a collective investment scheme in terms of the Financial Institutions and Markets Act, 2021, 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

Collective investment schemes are generally medium- to long-term investments. The value of participatory interests 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.

Pricing of participatory interests

Participatory interest 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 participatory interests in issue.

Redemptions

Allan Gray Namibia Unit Trust Management Company will repurchase any number of participatory interests offered to it on the basis of prices calculated in accordance with the requirements of the Financial Institutions and Markets Act, 2021 and on the terms and conditions set forth in the 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 portfolio 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 Indices

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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 Manager 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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