ALLAN GRAY

Allan Gray Namibia Investment Trust: 12 August 1999 to 31 January 2014
Allan Gray Namibia Balanced Fund: From 1 February 2014 **Fund managers:** Duncan Artus, Birte Schneider
Strategy inception date: 12 August 1999 **Class inception date:** 1 October 2014

Allan Gray Namibia Balanced Fund

B Class 31 October 2026

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 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 with similar mandates that comply with the limits governing Namibian retirement funds.

How we aim to achieve the Fund's objective

We seek to buy shares trading at a discount to our assessment of what they are actually worth. 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 a limited number of attractive shares, we may increase the Fund's weighting to other assets such as bonds, property, commodities and cash, or we may use financial instruments to 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 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

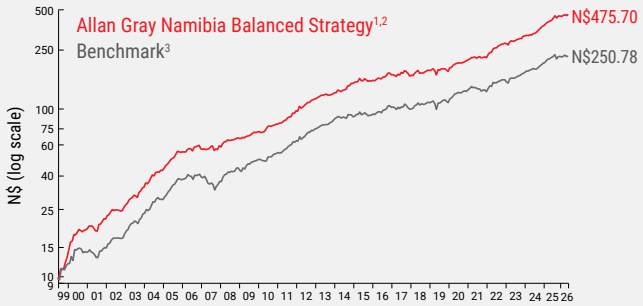
Fund information on 31 October 2026

Fund size	N$7 708m
Price (net asset value per unit)	N$3 377.71
Number of share holdings	48
Class	B

1. 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, objective and fund managers remain unchanged.
2. 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.
3. The current benchmark is the return of the daily weighted average index of Namibian multi-asset funds with similar mandates that comply with the limits governing 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 31 October 2026.
4. The maximum drawdown is the largest percentage decline over any period calculated from monthly returns. The Fund's maximum drawdown occurred from 31 January 2020 to 31 March 2020, and the benchmark's maximum drawdown occurred from 31 May 2008 to 28 February 2009. This measure is based on the total return, including price changes and distributions.
5. The percentage of calendar months in which the Fund produced a positive monthly return since inception.
6. Volatility is a statistical measure of how much and how fast an asset's price moves up and down over a period of time. The standard deviation is a primary statistical tool to measure how much an investment's return varies from its average over time. Higher volatility means returns fluctuate considerably. Lower volatility suggests more stable returns.
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 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.

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)	4657.0	2407.8
Annualised:		
Since inception (12 August 1999)	15.3	12.6
Latest 10 years	10.3	9.0
Latest 5 years	14.2	10.2
Latest 3 years	16.0	13.9
Latest 2 years	16.8	11.5
Latest 1 year	11.5	4.4
Year-to-date (not annualised)	8.9	1.9
Risk measures (since inception)		
Maximum drawdown[4]	-8.5	-20.2
Percentage positive months[5]	73.3	64.1
Annualised monthly volatility[6]	8.0	9.9
Highest annual return[7]	47.4	45.6
Lowest annual return[7]	-5.2	-19.2

Further information on the Fund's performance and distribution history is available on our website.

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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 unit	**4670.3408**	**5068.6017**

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.*

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 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 2026 (CMA and Foreign) (updated quarterly)

Company	% of portfolio
FirstRand Namibia	2.7
AB InBev	2.7
Naspers & Prosus	2.1
Glencore	1.9
AngloGold Ashanti	1.8
British American Tobacco	1.7
Standard Bank Group	1.7
Taiwan Semiconductor Mfg	1.6
Samsung Electronics	1.6
Nedbank	1.5
Total (%)	**19.2**

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

Issuer	% of portfolio
Republic of Namibia	23.8
Standard Bank Namibia	2.7
FirstRand Namibia	1.1
Total (%)	**27.5**

Asset allocation on 31 October 2026

Asset class	Total	Namibia[9]	South Africa	Africa ex-SA and Namibia	Foreign ex-Africa
Net equities	57.2	14.5	17.5	1.3	23.8
Hedged equities	4.2	0.0	0.0	0.0	4.2
Property	1.8	1.1	0.0	0.0	0.7
Commodity-linked	2.6	2.2	0.0	0.0	0.5
Bonds	29.5	24.9	0.0	0.5	4.1
Money market and cash[10]	4.7	3.3	0.0	0.1	1.3
Total (%)	**100.0**	**46.0**	**17.5**	**1.9**	**34.6**

8. Credit exposure representing 1% or more of the portfolio.

9. 7.0% of the Fund is invested in companies incorporated outside Namibia but listed on the NSX. When we include dual-listed commodity-linked ETFs, the Fund's total exposure to dual-listed instruments is 9.2%.

10. Includes the impact of any currency hedging.

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	**1.71**	**1.66**
Fee for benchmark performance	1.02	1.03
Performance fees	0.64	0.59
Other costs excluding transaction costs	0.04	0.04
Transaction costs	**0.08**	**0.07**
Total investment charge	**1.79**	**1.73**

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

Allan Gray Namibia Balanced Fund

B Class 31 October 2026

Fund manager quarterly commentary as at 30 September 2026

The Fund returned 1.4% for the quarter, taking its year-to-date return to 7.1%. We are pleased with the Fund's progress this year, with returns well ahead of the benchmark and with mixed returns from markets. Recent market moves serve as a reminder that returns are unlikely to follow a straight line.

Locally, equity markets had a very strong quarter, bringing the year-to-date return for the FTSE NSX Local Index to 22.8%, supported by healthy dividend distributions. The bond market, however, has been much less rewarding, with the IJG All Bond Index returning just 2.2% over the same period. Rising developed market bond yields have weighed on capital flows to emerging markets, while domestic fiscal concerns also added to the pressures facing Namibian bonds. In July, government adjusted its borrowing plan, shifting an additional N$7bn of funding to domestic sources and increasing planned domestic borrowing to N$27bn for the 2026/27 fiscal year. Higher bond yields reflect the growing funding requirement from the local market, together with continued uncertainty surrounding TotalEnergies' final investment decision on the Venus oil project.

In South Africa, 2026 has been a notably tougher environment than 2025 was. The FTSE/JSE All Share Index (ALSI) and FTSE/JSE All Bond Index returned -3.2% and 3.5% respectively, year to date.

The weak performance of the ALSI this year is partly attributable to poor returns from many domestically focused companies. A number of businesses that previously traded at elevated valuations have seen significant declines in their share prices from the highs reached over the past few years. Examples include Foschini (-72%), WeBuyCars (-53%), Clicks (-48%) and AVI (-30%). Against this backdrop, we are increasingly finding attractive opportunities among South African companies trading at valuations well below historical levels and have selectively increased exposure to domestic businesses. At the same time, we continue to see considerable value in maintaining meaningful offshore diversification, given the wide range of possible economic and political outcomes.

While progress has been made on several South African reform initiatives, given the scale of the country's challenges, improvements are likely to remain gradual. When investing in SA-focused businesses, we therefore do not assume a meaningful improvement in economic growth in the near term. Elevated oil prices and higher interest rates have increased pressure on consumers and businesses. Headline inflation remains above the upper end of the South African Reserve Bank's new 2-4% target range, making further interest rate increases likely. The upcoming local government elections in South Africa will be closely watched by investors as a test of confidence in the government of national unity's reform agenda. While political developments can affect market sentiment in the short term, we remain focused on identifying attractively valued investments rather than attempting to predict election outcomes.

A second factor behind the ALSI's weak return this year has been the decline in the gold price and the resulting weakness in precious metals shares. Despite its traditional role as a hedge during periods of uncertainty, gold ended the quarter at approximately US$4 200 per ounce, well below the peak of approximately US$5 400 per ounce reached earlier in the year. Much of that rally appears to have been driven by speculative buying during late 2025. This reinforces a point we frequently make: a good asset can still be a poor investment if purchased at too high a price. While we continue to recognise gold's diversification benefits and retain exposure to gold mining companies, we remain mindful of the risks associated with concentrated exposure to any single theme. With precious metals shares now representing about a quarter of the ALSI's weight, index concentration has reached levels that we view as excessive. This reinforces the importance of active stock selection.

Global markets experienced a challenging quarter but have remained remarkably strong throughout 2026. A notable feature has been the continued dominance of a relatively small group of companies associated with artificial intelligence (AI), while much of the broader market has delivered more modest returns. We remain sceptical that the enormous levels of investment currently being directed towards data centres will ultimately earn attractive economic returns and are cautious of areas where expectations and valuations appear overly optimistic. Our offshore holdings, managed primarily by Orbis, have nevertheless benefited from selected exposure to businesses supplying critical components and infrastructure to the AI ecosystem, which contributed positively to the Fund's performance.

At the beginning of the year, markets anticipated interest rate cuts from the US Federal Reserve (Fed). Instead, the Fed raised rates by 25 basis points in September and reiterated its commitment to returning inflation to its 2% target, suggesting that further tightening may be required to tame inflation. A significant market development this year has been the sharp rise in long-dated US government bond yields, with 30-year Treasury bonds ending the quarter at approximately 5.6% – the highest level since 2002. Concerns around inflation and the continued deterioration of the US fiscal position have been key drivers. For many years, the Fund has held very limited exposure to developed market government bonds, but yields have now reached levels where a case can increasingly be made for having some allocation.

This year has been characterised by rising geopolitical tensions, higher interest rates and increasing market concentration. While these risks are different in nature, they all highlight the importance of portfolio resilience. Protecting capital in difficult environments remains a key focus of the Fund. Rather than positioning the portfolio for a single outcome, we continue to build a diversified portfolio designed to perform across a range of economic environments.

Commentary contributed by Tim Acker and Birte Schneider

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Manager

Allan Gray Namibia Unit Trust Management Limited is an approved manager of a collective investment scheme in terms of the Financial Institutions and Markets Act 2 of 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

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 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 Limited will repurchase any number of units offered to it on the basis of prices calculated in accordance with the requirements of the Financial Institutions and Markets Act 2 of 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 fee component) and other expenses like audit, trustee and custodian fees. Transactions costs (including applicable brokerage, securities transfer tax and other trading-related charges) are shown separately. Transaction costs are necessary costs in administering the Fund and impact fund returns. Since fund returns are quoted after the deduction of these expenses, the TER and transaction costs should not be deducted again from published returns. Fees, expenses and costs include VAT, where applicable. The sum of the TER and transaction costs is shown as the total investment charge (TIC). As fund 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. Fees, expenses and costs should not be considered in isolation by investors when making investment decisions, as returns may be impacted by many other factors over time, including market returns, the type of financial product and the investment decisions of the investment manager. Instead, when investing, the investment objective of the Fund should be aligned with the investor's objective and compared against the net performance of the Fund.

FTSE/JSE indices

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Compliance with Regulation 13

The Fund is managed to comply with the limits of Regulation 13 of the repealed Pension Funds Act 24 of 1956, which continues to apply under the Financial Institutions and Markets Act 2 of 2021. Exposures in excess of the prescribed limits are dealt with in accordance with the applicable regulatory requirements. Notwithstanding the foregoing, the Fund does not hold unlisted investments for purposes of the minimum unlisted investment requirement in Regulation 13(5), nor is compliance by retirement funds with section 282 of the Financial Institutions and Markets Act 2 of 2021 monitored.

FTSE Russell Index

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MSCI Index

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