

Fund description and summary of investment policy

The Fund may invest in a mix of absolute return funds managed by Allan Gray’s offshore investment partner, Orbis Investment Management Limited, and currently invests in the Orbis Optimal SA Fund (US dollar and euro classes). The Orbis Optimal SA Fund invests in a portfolio of global shares and uses exchange-traded derivative contracts on stock market indices to reduce net equity exposure, which typically varies between 0% and 20%. The Fund’s returns, when measured in US dollars or euros, are driven mainly by Orbis’ stock selection and not by the overall direction of equity markets. Returns are likely to be less volatile than those of a global equity or global balanced fund, but more volatile than those of a global fixed income fund. Although the Fund’s investment universe is global, the units in the Fund are priced and traded daily in rands. Given the Fund’s global investment universe, rand returns are likely to be more volatile than those of local funds with similar equity constraints.

ASISA unit trust category: Global – Multi Asset – Low Equity

Fund objective and benchmark

The Fund aims to provide investors with long-term positive returns (when measured in US dollars or euros) from a low-risk global investment portfolio. The Fund’s returns are intended to be largely independent of the major asset classes such as cash, bonds or equities. The Fund’s benchmark is the simple average of the benchmarks of the underlying Orbis Optimal SA Fund classes, namely US dollar and euro bank deposits.

How we aim to achieve the Fund’s objective

The Fund invests in the Orbis Optimal SA Fund (US dollar and euro classes). The Orbis Optimal SA Fund is actively managed, invests in a global portfolio of shares and uses hedging to reduce overall exposure to global stock markets. Orbis uses in-house research to identify companies around the world whose shares can be purchased for less than Orbis’ assessment of their long-term intrinsic value. This long-term perspective enables them 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. This is the same approach as that used by Allan Gray to invest in South African equities. The main risk of investing in shares is that prices will decline if stock markets fall significantly. The Orbis Optimal SA Fund therefore maintains a substantial level of hedging to reduce this risk. The net equity exposure of the Fund typically varies between 0% and 20%. The Fund can therefore retain limited exposure to global stock markets, depending on Orbis’ assessment of global stock market valuations. Currency exposure is actively managed, both within the underlying Orbis Optimal SA Fund and through the allocation to the US dollar and euro classes of the Orbis Optimal SA Fund. The Fund’s returns are driven mainly by Orbis’ ability to select shares which outperform. A portion of the returns are also derived from the low exposure to stock markets and foreign currency cash-equivalent returns earned from hedging. The Fund is therefore able to aim for positive returns (when measured in foreign currency), irrespective of the direction of global stock markets.

Suitable for those investors who

- Seek positive long-term returns, when measured in foreign currency
- Wish to invest in international assets through a rand-denominated fund
- Have a long-term investment horizon and are comfortable with periods of underperformance which may result in capital loss
- Wish to use the Fund as a ‘building block’ in a diversified multi-asset class portfolio
- Understand that the Fund’s returns are largely independent of cash, bonds and equities

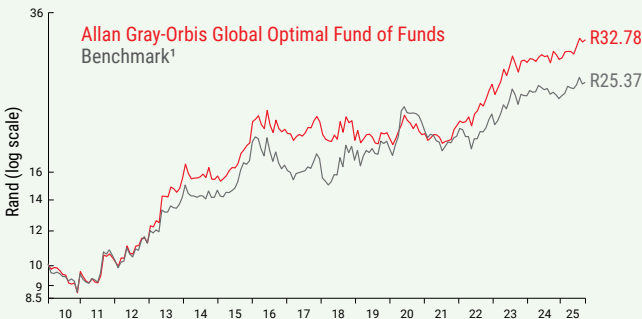
Fund availability: Subject to offshore capacity constraints. Please visit our website or contact our Client Service Centre for further information about any constraints that may apply.

Fund information on 31 August 2025

Fund size	R1.1bn
Number of units	32 387 668
Price (net asset value per unit)	R32.73
Class	A

Performance net of all fees and expenses

Value of R10 invested at inception with all distributions reinvested



- The simple average of the benchmarks of the underlying funds, performance as calculated by Allan Gray as at 31 August 2025.
- This data reflects the latest available inflation numbers for South Africa and the United States of America, as at 31 July 2025 (Source: IRESS). South African CPI inflation has been calculated based on the most recent rebased values from Stats SA.
- Maximum percentage decline over any period. The maximum rand drawdown occurred from 18 May 2016 to 24 March 2017 and maximum benchmark drawdown occurred from 18 January 2016 to 23 February 2018. 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 December 2013 and the benchmark’s occurred during the 12 months ended 31 January 2016. The Fund’s lowest annual return occurred during the 12 months ended 31 May 2017 and the benchmark’s occurred during the 12 months ended 28 February 2017. All rolling 12-month figures for the Fund and the benchmark are available from our Client Service Centre on request.

% Returns	Fund		Benchmark¹		CPI inflation²	
Cumulative:	ZAR	US\$	ZAR	US\$	ZAR	US\$
Since inception (2 March 2010)	227.8	42.4	153.7	10.2	113.4	48.3
Annualised:						
Since inception (2 March 2010)	8.0	2.3	6.2	0.6	5.0	2.6
Latest 10 years	6.4	3.4	4.6	1.7	4.8	3.1
Latest 5 years	9.7	8.6	3.2	2.2	5.1	4.5
Latest 3 years	11.8	10.5	8.0	6.7	4.3	3.0
Latest 2 years	7.3	10.6	3.0	6.2	4.1	2.8
Latest 1 year	11.5	11.6	6.5	6.5	3.5	2.7
Year-to-date (not annualised)	9.6	16.6	1.9	8.3	3.4	1.8
Risk measures (since inception)						
Maximum drawdown³	-18.9	-31.3	-26.6	-16.1	n/a	n/a
Percentage positive months⁴	53.2	57.0	48.4	50.5	n/a	n/a
Annualised monthly volatility⁵	12.9	7.3	13.3	4.3	n/a	n/a
Highest annual return⁶	39.6	15.4	35.6	9.4	n/a	n/a
Lowest annual return⁶	-12.4	-15.3	-19.1	-11.6	n/a	n/a

Meeting the Fund objective

Since inception and over the latest 10- and five-year periods, the Fund has outperformed its benchmark. There has been some volatility in the Fund's returns. The underlying funds' maximum drawdowns to date, in their reporting currencies, are 23% for the Orbis Optimal SA Dollar class and 28% for the Orbis Optimal SA Euro class.

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 annually.	31 Dec 2024
Cents per unit	0.0000

Annual management fee

Allan Gray does not charge an annual management fee but is paid a marketing and distribution fee by Orbis.

Orbis charges annual management fees within the underlying Orbis funds. Each fund's fee rate is calculated based on the fund's performance relative to its own benchmark. For more information please refer to the Orbis Optimal SA Fund factsheets and prospectus, which can be found at www.orbis.com.

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

The annual management fees charged by 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.

TER and transaction costs breakdown for the 1- and 3-year period ending 30 June 2025	1yr %	3yr %
Total expense ratio	1.08	1.08
Fee for benchmark performance	1.00	1.00
Performance fees	0.00	0.00
Other costs excluding transaction costs	0.08	0.08
VAT	0.00	0.00
Transaction costs (including VAT)	0.13	0.12
Total investment charge	1.21	1.20

Top 10 share holdings on 31 August 2025

Company	% of portfolio
Corpay	4.1
Mitsubishi Estate	3.2
Taiwan Semiconductor Mfg.	3.2
British American Tobacco	3.0
FirstService	2.9
Smurfit Westrock	2.7
Techtronic Industries	2.7
QXO	2.7
Nebius Group	2.7
Ryder System	2.6
Total (%)	29.8

Fund allocation on 31 August 2025

Foreign absolute return funds	%
Orbis Optimal SA (US\$)	62.1
Orbis Optimal SA (Euro)	37.9
Total (%)	100.0

Asset allocation on 31 August 2025

Asset class	Total	United States	UK	Europe ex-UK ⁷	Japan	Other ⁷	Emerging markets
Net equities	1.0	-8.0	1.9	4.0	2.2	-1.5	2.2
Hedged equities	83.7	43.2	7.0	3.9	16.2	8.8	4.7
Property	6.3	0.0	0.0	0.0	3.4	2.9	0.0
Money market and cash	9.0	5.9	0.7	-1.2	2.7	0.7	0.1
Total (%)	100.0	41.2	9.6	6.7	24.5	11.0	7.0
Currency exposure	100.0	51.4	0.0	36.7	5.9	5.6	0.4

7. Refers to developed markets only.

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

At its core, biotechnology is the art of turning cutting-edge science – and large amounts of capital – into medicines. For investors, long-term returns hinge on two factors. First, how drug sales stack up against the market's expectations. Second, the incremental returns on each additional research and development (R&D) dollar invested. Businesses that excel at both compound capital; those that stumble destroy it.

When researching biotech companies, we tilt the odds in our favour by placing emphasis on two essentials: identifying underappreciated drugs and backing disciplined management teams that have a proven ability to allocate capital effectively. The Orbis Optimal SA Fund holds four companies we find to be rare businesses that embody these traits and trade at undemanding valuations. In our view, leaving limited downside and outsized upside.

Genmab

Distinguished by its proven antibody discovery engine that has yielded eight approved medicines, Genmab is approaching patent expirations for its flagship product, Darzalex, in the late 2020s and early 2030s. Investors routinely flee when a patent cliff looms, fixating on the certain loss of legacy revenue while discounting whatever might replace it. Genmab sits squarely in that sentiment trough.

Meanwhile, a slate of late-stage assets and a growing roster of partnered drugs are only beginning to contribute revenue, with sales and royalties that extend well into the 2030s. Genmab's R&D machine is still run by its scientist-founder, Dr Jan van de Winkel, whose more than two-decade tenure and sizeable equity stake have fostered disciplined capital allocation and scientific excellence. The company's recent acquisition of ProfoundBio adds antibody-drug-conjugate technology that slots neatly into Genmab's core expertise, expanding the opportunity set without stretching the balance sheet. Yet, the market still treats Genmab as a single-product story, allowing us to buy the stock today at 70% of the value of already-approved drugs, implying the world-class pipeline and discovery engine are worth nothing.

Alnylam Pharmaceuticals

Alnylam stands at the forefront of RNA-interference (RNAi) therapeutics, a technology capable of silencing specific gene expressions and reducing harmful proteins. After decades of development, RNAi has proven safe and efficacious in serious diseases like transthyretin amyloid cardiomyopathy (ATTR-CM). Each of Alnylam's four marketed medicines and two partnered medicines were invented in-house – a remarkable R&D productivity streak highlighting its scientific prowess.

Earlier this year, the company received regulatory approval for its next-generation ATTR-CM medicine, Amvuttra. While the drug is still in the early stages of its launch, our research suggests that Amvuttra's sales will outpace consensus expectations. Alnylam's management team, steered by its CEO, Dr Yvonne Greenstreet, has a solid track record of both scientific rigour and commercial execution. A stronger-than-expected Amvuttra sales ramp should propel Alnylam to profitability this year and cement its status among biotech giants like Vertex and Gilead.

CRISPR Therapeutics

Five years ago, CRISPR was a popular stock among growth-oriented investors, known for pioneering CRISPR (Clustered Regularly Interspaced Short Palindromic Repeats) gene-editing technology. However, the biotech sentiment implosion has been so profound that we can now buy CRISPR at a significant discount to just the cash on its balance sheet plus the value of its commercialised therapy, Casgevy, which is used to treat sickle-cell disease and transfusion-dependent β -thalassaemia.

CRISPR Therapeutics became the first company to get a CRISPR-based therapy approved by regulators. Because every patient must clear eligibility screens, undergo stem-cell harvesting and be treated at a steadily expanding network of specialised centres, uptake follows a measured, step-like curve, unlike conventional drugs that generate revenue almost immediately after approval. Our market assessment suggests Casgevy is a multibillion-dollar opportunity with a strong competitive position and no visible patent cliff. And partnering with Vertex gives Casgevy the commercial muscle it deserves while allowing CRISPR to remain research-focused. Despite this, the market's expectations remain muted, constrained by the therapy's unusual launch trajectory. That disconnect in share price is magnified by the company's healthy balance sheet: Management raised substantial capital when financing was readily accessible, enabling CRISPR to keep funding high-upside research while many peers are slashing budgets.

Insmad

The newest addition to our biotech holdings, Insmad, is awaiting U.S. Food and Drug Administration (FDA) approval for brensocatib in bronchiectasis, a chronic lung disease whose patients currently lack therapeutic treatment options and suffer a quality-of-life burden. We anticipate a rapid adoption curve that will push the company toward sustained profitability.

The attraction, however, goes well beyond one drug. A second pipeline asset, TPIP, just delivered what could be described as best-case scenario Phase 2 data in pulmonary arterial hypertension. With an already-approved medicine, ARIKAYCE, that is indicated for the treatment of mycobacterium avium complex lung disease, the anticipated approval of brensocatib and later TPIP (assuming successful clinical trials), Insmad is building a potentially lucrative respiratory disease franchise.

Despite a recent rally following TPIP's positive results, shares remain well below our estimate of their intrinsic value. Insmad also has a history of creating significant shareholder value through disciplined R&D bets. A continuation of this strategy should lead to further value creation that the market is not pricing into the shares.

An environment of widespread scepticism and low valuations in the biotech sector is precisely the climate which we find appealing. It has allowed us to assemble a portfolio of companies that we believe are exceptional. Not only are they advancing groundbreaking science and delivering life-changing therapies for patients, but they are also led by management teams we deeply respect and admire. While there will no doubt be surprises and inevitable setbacks along the way, we have established positions in these companies at prices that, in our view, provide a wide margin of safety.

The Orbis Optimal SA Fund's overall net equity exposure fell over the quarter. Among individual positions, we initiated a position in a UK-based grocery retailer. We exited the position in B&M European Value Retail, a UK-based discount retailer, after disappointing results and the departure of the company's CEO.

Adapted from a commentary contributed by Povilas Dapkevicius and Mo Zhao, Orbis Portfolio Management (Europe) LLP, London

Fund manager quarterly commentary as at 30 June 2025

The availability of the Fund is subject to offshore capacity constraints. Please contact our Client Service Centre for further information about any constraints that may apply.

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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. For more information about our annual management fees, refer to the [frequently asked questions](#), available via the Allan Gray website.

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), VAT 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 and VAT thereon) 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).

Fund of funds

A fund of funds is a unit trust that invests in other unit trusts, which charge their own fees. Allan Gray does not charge any additional fees in its funds of funds.

FTSE Russell Index

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MSCI Index

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