

### Portfolio objective and benchmark

This Portfolio is for institutional investors requiring management of a specific equity portfolio. It aims to offer superior returns to that of the FTSE/JSE Capped Shareholder Weighted All Share Index including dividends, but with a lower risk of capital loss. The benchmark is the FTSE/JSE Capped Shareholder Weighted All Share Index including dividends.

### Product profile

- Actively managed pooled portfolio.
- Represents Allan Gray's 'houseview' for a specialist equity-only mandate.
- Portfolio risk is controlled by limiting the exposure to individual counters.

### Investment specifics

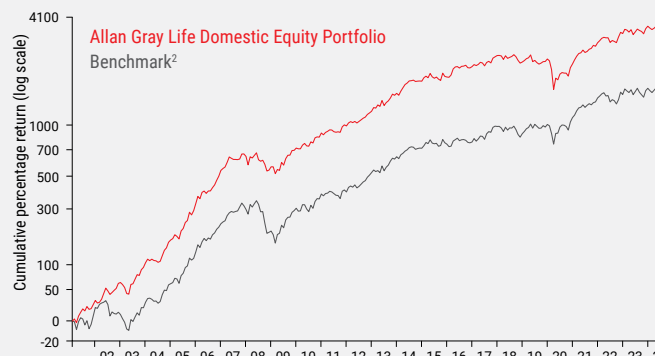
- This Portfolio is available as a linked policy issued by Allan Gray Life Limited available only to retirement funds and medical schemes.
- Minimum investment: R20m.
- Performance based fee.

### Portfolio information on 31 December 2024

Assets under management	R3 920m
-------------------------	---------

### Performance gross of fees

Cumulative performance since inception<sup>1</sup>



- Since alignment date (1 February 2001).
- FTSE/JSE Capped Shareholder Weighted All Share Index. The benchmark prior to 1 October 2020 was the FTSE/JSE All Share Index.
- Investment returns are annualised (unless stated otherwise), except for periods less than one year. Performance as calculated by Allan Gray as at 31 December 2024.
- Includes listed property.
- There may be slight discrepancies in the totals due to rounding.

% Returns <sup>3</sup>	Portfolio	Benchmark <sup>2</sup>
Since inception <sup>1</sup>	16.7	13.2
Latest 10 years	8.0	9.0
Latest 5 years	10.6	12.0
Latest 3 years	10.7	8.5
Latest 2 years	10.1	10.6
Latest 1 year	10.8	13.4
Latest 3 months	-3.1	-2.1

### Top 10 share holdings on 31 December 2024 (updated quarterly)

Company	% of portfolio
Naspers & Prosus	9.5
British American Tobacco	7.7
AB InBev	7.4
Standard Bank	4.9
Mondi	4.1
Woolworths	4.0
Nedbank	4.0
FirstRand	3.7
Glencore	3.5
Remgro	2.8
<b>Total (%)<sup>5</sup></b>	<b>51.7</b>

### Sector allocation on 31 December 2024 (updated quarterly)

	% of equities <sup>4</sup>	% of benchmark <sup>2</sup>
Financials	26.2	31.9
Consumer staples	22.3	12.6
Basic materials	19.5	18.7
Consumer discretionary	9.9	8.7
Technology	9.7	12.2
Industrials	6.0	3.7
Energy	2.2	0.9
Telecommunications	1.8	4.3
Healthcare	1.5	1.8
Real estate	0.9	5.3
<b>Total (%)<sup>5</sup></b>	<b>100.0</b>	<b>100.0</b>

### Asset allocation on 31 December 2024

Asset class	Total <sup>5</sup>
Net equities	97.3
Hedged equities	-
Property	0.9
Commodity-linked	0.6
Bonds	-
Money market and bank deposits	1.2
<b>Total (%)<sup>5</sup></b>	<b>100.0</b>

World equity markets finished 2024 close to all-time highs. The MSCI World Index finished up 19%, driven by a strong US equity market that saw the S&P 500 and the Nasdaq up 25% and 26%, respectively. Locally, the FTSE/JSE All Share Index finished the year up 13% in rands and 10% in US dollars.

The Portfolio returned 10.8% for the 2024 calendar year, lagging the benchmark by 2.6%. This is mainly attributable to some of our large local shares, such as AB InBev, underperforming the SA Inc shares which rallied strongly post the national elections and the formation of the government of national unity (GNU). This is particularly true for economically sensitive shares such as clothing retailers, which performed exceptionally. Similarly, financial shares benefited from falling yields on South African government bonds and returned more than 20%<sup>1</sup> for the year.

The SA Inc share prices are discounting a better future, but the recent earnings results were generally still reflective of the poor economy, structural problems and a tough trading environment. It is also probably fair to say that the GNU's "unity" has yet to be truly tested. It has been a great period for holders of these domestic assets, and the rand marginally weakened against a strong dollar as well, but the fundamentals will still have to start coming through to justify some of the price moves. From what we can gather, it is interesting that much of the buying was by local fund managers rotating out of dual-listed multinationals into SA Inc shares. This means there could still be a further leg-up in the rally if foreign investors return to buy SA equities in size. Given the large price moves, we have been trimming some positions into price strength, where appropriate.

It was, however, somewhat pleasing to see the market recognise the value of some of the assets in two of our smaller holdings with the successful listing of Pick n Pay's subsidiary Boxer Retail and a bid by a private equity firm for Super Group's listed Australia fleet management business, SG Fleet. If successful, it will allow Super Group to pay out a significant portion of its market cap back to shareholders.

One of the trends we are monitoring closely for potential opportunities for the Portfolio is the continued disappointing economic data emanating out of China. Many Chinese-related shares (Richemont, BHP, etc.) have been relatively weak despite several announcements made by the Chinese government to boost confidence and the economy. Transitioning from investment-led growth to growth led by consumption is proving to be difficult.

We would not be surprised to see some kind of consolidation in markets after the large price moves in the indices, but there are many shares that have not participated in the up move, which we can hopefully take advantage of in the Portfolio.

During the quarter, the Portfolio purchased AB InBev and Aspen Pharmacare and sold British American Tobacco and OUTsurance.

**Commentary contributed by Duncan Artus**

**Fund manager quarterly  
commentary as at  
31 December 2024**

1. FTSE/JSE Financials Index

© 2025 Allan Gray Proprietary Limited. All rights reserved. The content and information may not be reproduced or distributed without the prior written consent of Allan Gray Proprietary Limited ("Allan Gray").

### Information and content

The information in and content of this publication/presentation 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. The information provided is not intended to, nor does it constitute financial, tax, legal, investment or other advice. Before making any decision or taking any action regarding your finances, you should consult a qualified financial adviser. Nothing contained in this publication/presentation constitutes a solicitation, recommendation, endorsement or offer by Allan Gray; it is merely an invitation to do business.

Allan Gray has taken and will continue to take care that all information provided, in so far as this is under its control, is true and correct. However, Allan Gray shall not be responsible for and therefore disclaims any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable, directly or indirectly, to the use of or reliance on any information provided.

Allan Gray Life Ltd is a registered insurer licensed to provide life insurance products as defined in the Insurance Act 18 of 2017.

Past performance is not indicative of future performance.

### FTSE/JSE All Share Index, FTSE/JSE Capped Shareholder Weighted All Share Index and FTSE/JSE Financials Index

The FTSE/JSE All Share Index, FTSE/JSE Capped Shareholder Weighted All Share Index and FTSE/JSE Financials Index are calculated by FTSE International Limited ("FTSE") in conjunction with the JSE Limited ("JSE") in accordance with standard criteria. The FTSE/JSE All Share Index, FTSE/JSE Capped Shareholder Weighted All Share Index and FTSE/JSE Financials Index are the proprietary information of FTSE and the JSE. All copyright subsisting in the values and constituent lists of the FTSE/JSE All Share Index, FTSE/JSE Capped Shareholder Weighted All Share Index and FTSE/JSE Financials Index vests in FTSE and the JSE jointly. All their rights are reserved.

### MSCI Index

Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indexes or any securities or financial products. This report is not approved, endorsed, reviewed or produced by MSCI. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.

### Important information for investors

#### Need more information?

You can obtain additional information about your proposed investment from Allan Gray free of charge either via our website [www.allangray.co.za](http://www.allangray.co.za) or via our Client Service Centre on **0860 000 654**