

Portfolio objective and benchmark

This Portfolio is designed for institutional investors seeking superior absolute returns (in excess of inflation) over the long term with a higher risk tolerance in the short term than the Balanced Portfolio. The benchmark is the mean performance of the large managers as surveyed by consulting actuaries.

Product profile

- Actively managed pooled portfolio.
- Investments selected from all local asset classes.
- Fully reflects the manager’s strong investment convictions and could deviate considerably in both asset allocation and stock selection from the average retirement portfolio.

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.

Compliance with Prudential Investment Guidelines

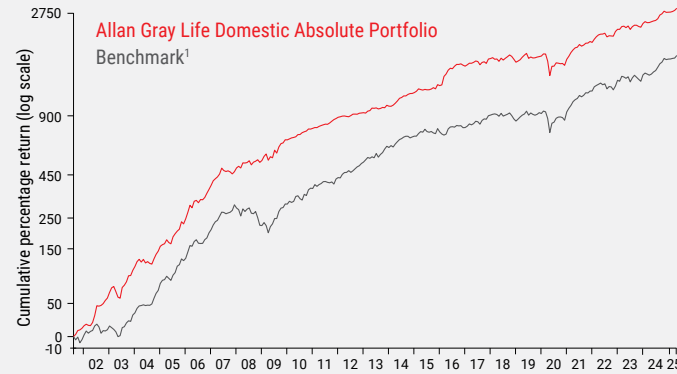
The Portfolio is managed to comply with Regulation 28 of the Pension Funds Act (“the Pension Funds Act”). Exposures in excess of the limits will be corrected immediately, except where due to a change in the fair value or characteristic of an asset, e.g. market value fluctuations, in which case they will be corrected within the prescribed regulatory time period. Allan Gray Life Limited does not monitor compliance with section 19(4) of the Pension Funds Act (item 6 of Table 1 to Regulation 28) on behalf of retirement funds invested in the pool.

Portfolio information on 31 March 2025

Assets under management	R372m
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Performance gross of fees

Cumulative performance since inception



% Returns ²	Portfolio	Benchmark ¹
Since inception	15.1	12.8
Latest 10 years	8.7	8.1
Latest 5 years	14.7	17.0
Latest 3 years	9.2	9.8
Latest 2 years	10.4	12.3
Latest 1 year	14.7	20.8
Latest 3 months	4.0	3.6

Asset allocation on 31 March 2025

Asset class	Total ³
Net equities	49.3
Hedged equities	7.0
Property	0.2
Commodity-linked	4.0
Bonds	26.7
Money market and cash	12.7
Total (%)³	100.0

- Mean of Alexander Forbes Domestic Large Manager Watch. The return for March 2025 is an estimate.
- Investment returns are annualised (unless stated otherwise), except for periods less than one year. Performance as calculated by Allan Gray as at 31 March 2025.
- There may be slight discrepancies in the totals due to rounding.

Top 10 share holdings on 31 March 2025 (updated quarterly)

Company	% of portfolio
AB InBev	7.6
Standard Bank	5.3
British American Tobacco	4.8
Prosus N.V.	4.7
Woolworths	3.9
AngloGold Ashanti	3.0
Gold Fields	2.4
MultiChoice	2.4
Nedbank	2.3
Remgro	2.3
Total (%)³	38.7

2024 was a strong year for local assets, and this positive momentum carried through into the first quarter of 2025. The FTSE/JSE All Share Index generated a return of 13% in 2024 and 6% in the quarter, while the FTSE/JSE All Bond Index returned 17% in 2024 and 1% for the quarter.

The Portfolio returned 4.0% for the quarter, slightly ahead of its benchmark. Performance was driven by large multinational "rand-hedge" shares, such as AB InBev and British American Tobacco. This is a reversal of one of the dominant trends of 2024: Following the national elections and the formation of the government of national unity (GNU) in June 2024, domestically focused "SA Inc" shares strongly outperformed rand-hedge shares. The Portfolio responded by reducing select SA Inc exposure in the second half of 2024 and adding to its rand-hedge positions. SA bonds also had a strong 2024 but have come under pressure in the last six months. A conservative bond stance and favouring rand-hedge shares detracted from performance last year but have supported performance in the most recent quarter.

The formation of the GNU sparked a wave of optimism about South Africa's future, both locally and abroad. Some of this was driven by hopes of political reform and economic recovery, but it also reflected relative appeal – many emerging markets were in deeper turmoil, making South Africa look comparatively stable. While we acknowledge encouraging signs, such as improvements at Eskom, our research suggests that broader progress has been limited. State-owned enterprises continue to face deep structural issues, and the business environment remains difficult.

Recent financial results from consumer-focused companies reinforce this view – many continue to report subdued earnings as household spending remains under pressure.

This highlights the danger of paying a premium for optimism. When expectations run ahead of fundamentals, prices can detach from reality. Our approach remains rooted in bottom-up analysis, favouring companies priced well below their intrinsic value, across sectors and regions. While there are still undervalued SA Inc shares, many are now priced for perfection in an economy still facing major headwinds. The difficulty in passing the first coalition budget and ongoing public tension between our government and the United States are good reminders of the economic and political risks.

There is value in having a diversified portfolio containing both SA Inc and rand-hedge stocks. The Portfolio reflects that there are attractive opportunities available in both categories. SA bonds offer high yields that appear very attractive at first glance, but we remain concerned about the fiscal challenges facing the SA government. Despite a steepening yield curve, the Portfolio maintains a conservative duration position, preferring shorter-dated bonds.

During the quarter, we added to the Portfolio's positions in AngloGold Ashanti and AB InBev, and we reduced its exposure to British American Tobacco and Gold Fields.

Commentary contributed by Tim Acker

**Fund manager quarterly
commentary as at
31 March 2025**

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Past performance is not indicative of future performance.

FTSE/JSE All Share Index, FTSE/JSE Capped Shareholder Weighted All Share Index and FTSE/JSE All Bond Index

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MSCI Index

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Portfolio objective and benchmark

This Portfolio is for institutional investors with an average risk tolerance. It aims to offer long-term returns superior to the benchmark, but at lower risk of capital loss. In terms of Allan Gray's risk-profiled range, this Portfolio has a higher risk of capital loss than the Stable Portfolio, but less than the Absolute Portfolio. The benchmark is the mean performance of the large managers as surveyed by consulting actuaries.

Product profile

- Actively managed pooled portfolio.
- Investments selected from all local asset classes.
- Represents Allan Gray's 'houseview' for a domestic balanced mandate.

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.

Compliance with Prudential Investment Guidelines

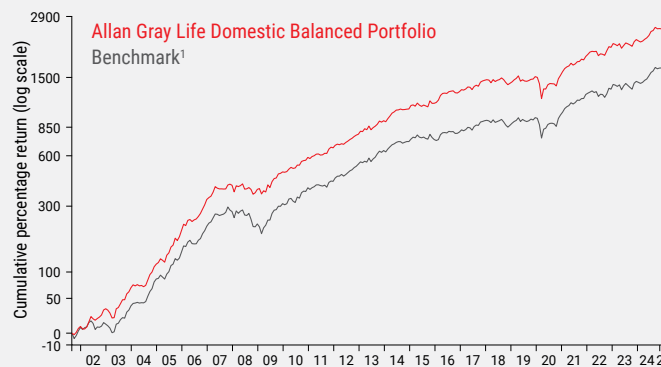
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Portfolio information on 31 March 2025

Assets under management	R9 817m
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Performance gross of fees

Cumulative performance since inception



% Returns ²	Portfolio	Benchmark ¹
Since inception	14.9	12.9
Latest 10 years	9.0	8.1
Latest 5 years	16.9	17.0
Latest 3 years	9.6	9.8
Latest 2 years	11.3	12.3
Latest 1 year	17.9	20.8
Latest 3 months	3.5	3.6

Asset allocation on 31 March 2025

Asset class	Total ³
Net equities	63.7
Hedged equities	1.6
Property	0.6
Commodity-linked	3.0
Bonds	21.9
Money market and cash	9.2
Total (%)³	100.0

- Mean of Alexander Forbes Domestic Large Manager Watch. The return for March 2025 is an estimate.
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Top 10 share holdings on 31 March 2025 (updated quarterly)

Company	% of portfolio
Naspers & Prosus	6.3
AB InBev	6.1
British American Tobacco	5.0
Standard Bank	3.4
AngloGold Ashanti	3.0
Mondi	2.5
Nedbank	2.4
Woolworths	2.3
FirstRand	2.1
Glencore	2.0
Total (%)³	35.2

2024 was a strong year for local assets, and this positive momentum carried through into the first quarter of 2025. The FTSE/JSE All Share Index generated a return of 13% in 2024 and 6% in the quarter, while the FTSE/JSE All Bond Index returned 17% in 2024 and 1% for the quarter.

The Portfolio returned 3.5% for the quarter, slightly behind its benchmark. Performance was driven by large multinational "rand-hedge" shares, such as AB InBev and British American Tobacco. This is a reversal of one of the dominant trends of 2024: Following the national elections and the formation of the government of national unity (GNU) in June 2024, domestically focused "SA Inc" shares strongly outperformed rand-hedge shares. The Portfolio responded by reducing select SA Inc exposure in the second half of 2024 and adding to its rand-hedge positions. SA bonds also had a strong 2024 but have come under pressure in the last six months. A conservative bond stance and favouring rand-hedge shares detracted from performance last year but have supported performance in the most recent quarter.

The formation of the GNU sparked a wave of optimism about South Africa's future, both locally and abroad. Some of this was driven by hopes of political reform and economic recovery, but it also reflected relative appeal – many emerging markets were in deeper turmoil, making South Africa look comparatively stable. While we acknowledge encouraging signs, such as improvements at Eskom, our research suggests that broader progress has been limited. State-owned enterprises continue to face deep structural issues, and the business environment remains difficult.

Recent financial results from consumer-focused companies reinforce this view – many continue to report subdued earnings as household spending remains under pressure.

This highlights the danger of paying a premium for optimism. When expectations run ahead of fundamentals, prices can detach from reality. Our approach remains rooted in bottom-up analysis, favouring companies priced well below their intrinsic value, across sectors and regions. While there are still undervalued SA Inc shares, many are now priced for perfection in an economy still facing major headwinds. The difficulty in passing the first coalition budget and ongoing public tension between our government and the United States are good reminders of the economic and political risks.

There is value in having a diversified portfolio containing both SA Inc and rand-hedge stocks. The Portfolio reflects that there are attractive opportunities available in both categories. SA bonds offer high yields that appear very attractive at first glance, but we remain concerned about the fiscal challenges facing the SA government. Despite a steepening yield curve, the Portfolio maintains a conservative duration position, preferring shorter-dated bonds.

During the quarter, we added to the Portfolio's positions in AngloGold Ashanti and Mondi, and we reduced its exposure to British American Tobacco and Gold Fields.

Commentary contributed by Tim Acker

**Fund manager quarterly
commentary as at
31 March 2025**

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FTSE/JSE All Share Index, FTSE/JSE Capped Shareholder Weighted All Share Index and FTSE/JSE All Bond Index

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MSCI Index

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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

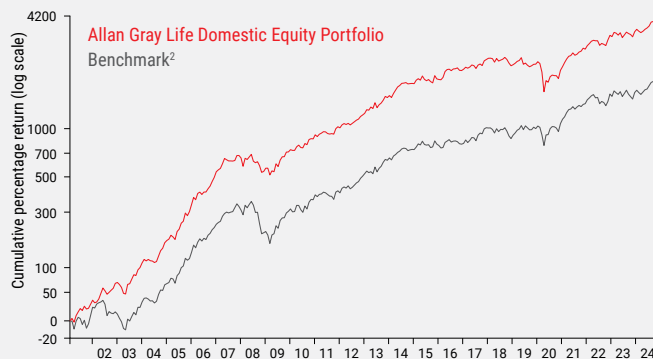
- This Portfolio is available as a linked policy issued by Allan Gray Life Limited available only to retirement funds and medical schemes.
- Minimum investment: R20m.
- Performance based fee.

Portfolio information on 31 March 2025

Assets under management	R4 286m
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Performance gross of fees

Cumulative performance since inception¹



% Returns ³	Portfolio	Benchmark ²
Since inception ¹	16.7	13.4
Latest 10 years	8.0	9.0
Latest 5 years	20.0	18.9
Latest 3 years	9.7	8.2
Latest 2 years	11.2	12.4
Latest 1 year	17.9	22.9
Latest 3 months	3.9	5.8

Sector allocation on 31 March 2025 (updated quarterly)

	% of equities ⁴	% of benchmark ²
Financials	26.5	29.8
Consumer staples	21.9	12.1
Basic materials	20.9	23.1
Technology	10.3	11.8
Consumer discretionary	8.5	7.3
Industrials	5.6	3.3
Energy	2.2	0.8
Telecommunications	1.7	5.2
Healthcare	1.6	1.6
Real estate	0.8	4.9
Total (%)⁵	100.0	100.0

- 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 March 2025.
- Includes listed property.
- There may be slight discrepancies in the totals due to rounding.

Top 10 share holdings on 31 March 2025 (updated quarterly)

Company	% of portfolio
Naspers & Prosus	10.0
AB InBev	8.8
British American Tobacco	7.1
Standard Bank	5.3
Mondi	4.0
Nedbank	4.0
AngloGold Ashanti	3.7
FirstRand	3.6
Woolworths	3.2
Glencore	3.2
Total (%)⁵	52.9

Asset allocation on 31 March 2025

Asset class	Total ⁵
Net equities	96.6
Hedged equities	-
Property	0.8
Commodity-linked	0.7
Bonds	-
Money market and cash	1.9
Total (%)⁵	100.0

2024 was a strong year for local equities, and this positive momentum carried through into the first quarter of 2025. The FTSE/JSE All Share Index generated a return of 13% for the 2024 calendar year and 6% for the quarter.

The Portfolio returned 3.9% for the quarter, underperforming its benchmark by 2.0%. Over the quarter, the larger multinational “rand-hedge” shares, such as AB InBev and British American Tobacco performed well. This is a reversal of one of the dominant trends of 2024: Following the national elections and the formation of the government of national unity (GNU) in June 2024, domestically focused “SA Inc” shares strongly outperformed rand-hedge shares. In response, the Portfolio reduced its exposure to SA Inc names in the second half of 2024 and increased holdings in rand hedges like AB InBev. Favouring rand-hedge shares detracted from performance last year but has supported performance in the most recent quarter.

The formation of the GNU sparked a wave of optimism about South Africa’s future, both locally and abroad. Some of this was driven by hopes of political reform and economic recovery, but it also reflected relative appeal – many emerging markets were in deeper turmoil, making South Africa look comparatively stable. While we acknowledge encouraging signs, such as improvements at Eskom, our research suggests that broader progress has been limited. State-owned enterprises continue to face deep structural issues, and the business environment remains difficult.

Recent financial results from consumer-focused companies reinforce this view – many continue to report subdued earnings as household spending continues to come under pressure.

This illustrates the danger of paying a premium for optimism. When expectations shift quickly, share prices can get ahead of underlying fundamentals. Our approach, as always, is bottom-up focused, favouring companies priced well below their intrinsic value, across sectors and regions. There are certainly still areas of value among SA Inc stocks, but some valuations are too high and do not reflect the economic and political risks. The recent difficulty around passing a coalition budget and ongoing public tension between the South African government and the United States are good reminders of these risks. There is value in having a diversified portfolio containing both SA Inc and rand-hedge stocks. Fortunately, there are attractively priced shares available in both categories.

During the quarter, we added to the Portfolio’s position in Northam Platinum and Glencore, and we reduced its exposure to British American Tobacco and Sibanye-Stillwater.

Commentary contributed by Tim Acker

**Fund manager quarterly
commentary as at
31 March 2025**

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

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MSCI Index

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Portfolio objective and benchmark

This Portfolio is specifically for Medical Schemes. It aims to offer superior returns to money market investments with limited capital volatility whilst striving for capital preservation over any two-year period. In terms of Allan Gray’s risk-profiled range, this portfolio has less risk of capital loss than the Balanced Portfolio. The Portfolio is managed to comply with the limits of Annexure B to Regulation 30 of the Medical Schemes Act, 1998. The benchmark is the Alexander Forbes 3-month Deposit Index plus 2% or CPI plus 3%.

Product profile

- Conservatively managed pooled portfolio.
- Investments selected from all asset classes as permitted by Regulation 30.
- We attempt to limit the risk of capital loss by holding shares with limited downside or attractive dividend yields and/or hedging stock market exposure.
- Modified duration of the fixed interest component will be conservative.

Investment specifics

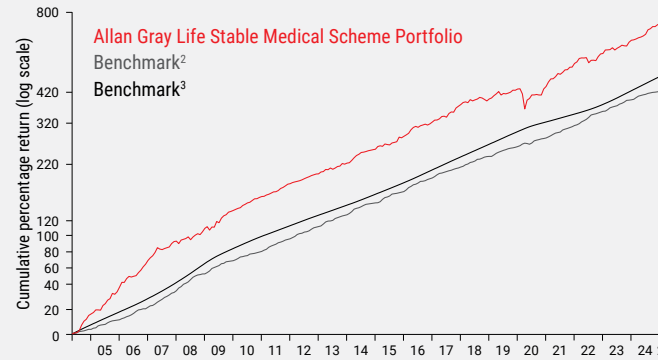
- This Portfolio is available as a linked policy issued by Allan Gray Life Limited available only to medical schemes.
- Minimum investment: R20m.
- Performance based fee or fixed fee.

Portfolio information on 31 March 2025

Assets under management	R3 224m
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Performance gross of fees

Cumulative performance since inception¹



% Returns ⁴	Portfolio	Benchmark ²	Benchmark ³
Since inception ¹	10.8	8.4	8.9
Latest 10 years	9.1	8.0	8.4
Latest 5 years	13.1	8.0	7.9
Latest 3 years	9.2	8.2	9.3
Latest 2 years	11.0	7.3	10.1
Latest 1 year	13.6	6.2	10.0
Latest 3 months	2.9	2.8	2.3

Asset allocation on 31 March 2025

Asset class	Total ⁶	South Africa	Foreign ⁵
Net equities	21.2	21.2	-
Hedged equities	7.0	7.0	-
Property	0.3	0.3	-
Commodity-linked	1.9	1.9	-
Bonds	45.4	31.4	14.0
Money market and cash	24.2	23.2	1.0
Total (%)⁶	100.0	85.1	14.9

1. Since alignment date (1 May 2004).
2. CPI plus 3% p.a. The return for March 2025 is an estimate. CPI inflation has been calculated based on the most recent rebased values from Stats SA, reflecting the data as at 28 February 2025 (source: IRESS).
3. Alexander Forbes 3-month Deposit Index plus 2% p.a.
4. Investment returns are annualised (unless stated otherwise), except for periods less than one year. Performance as calculated by Allan Gray as at 31 March 2025.
5. The Africa ex-SA and foreign ex-Africa exposures have been consolidated.
6. There may be slight discrepancies in the totals due to rounding.

Top 10 share holdings on 31 March 2025 (updated quarterly)

Company	% of portfolio
AB InBev	3.6
British American Tobacco	2.9
AngloGold Ashanti	2.8
Standard Bank	1.8
Gold Fields	1.6
Woolworths	1.3
Sappi	1.0
Premier Group	1.0
Sasol	1.0
Richemont	0.9
Total (%)⁶	18.0

The first quarter of 2025 saw the local equity market add to the strong gains posted in the preceding year, with the FTSE/JSE All Share Index returning 5.9%. Among the largest contributors to returns at the index level were precious metal miners, telecommunications providers and the dual-listed consumer goods companies, including AB InBev, British American Tobacco and Richemont. Gains for the local banks, insurers and retailers have either begun to stall or go backwards, while the diversified miners and other cyclical rand hedges Sasol and Mondi have continued to struggle in the new year. The FTSE/JSE All Bond Index eked out a 0.7% gain for the quarter, as the risk premium on local government bonds increased, particularly on longer-dated instruments.

Against this backdrop, the Portfolio returned 2.9% for the quarter – 0.6% ahead of its benchmark¹.

Portfolio holdings in AB InBev and gold miners were among the largest contributors to performance. Gains for AngloGold Ashanti, Gold Fields and DRDGOLD have been particularly strong, with share prices more than 50% higher year to date in rands – this as the gold price breached US\$3 000 per ounce for the first time and continued to set new highs. Predominant trends, including diversification away from the US dollar with increased interest in gold as a reserve asset, fears of stagflation in developed economies as growth slows, and political and trade uncertainties, remain more relevant than ever. Despite this, equity investors remain sceptical of the trajectory of the gold price, with valuations of the miners, including those mentioned above, screening as very compelling at the spot price.

It is worthwhile noting that events occurring immediately post quarter end pose a possible threat to wider risk asset returns – namely, the sustainability of the government of national unity locally following the conflict-ridden Budget process and the ratcheting up of global trade tensions after President Donald Trump's "Liberation Day" tariff announcements. Last quarter, we wrote about our concerns regarding unsustainable valuation levels both locally and globally, and what this may mean for future returns. This, coupled with geopolitical pressures and elevated uncertainty, makes for increased market volatility ahead.

In our opinion, the Portfolio's current defensive positioning in terms of stock selection, a 21.2% net equity weight (which is below the 40% maximum), its allocation towards hedged equities, and its lower-duration bond holdings ensure that we are well placed to navigate these challenges.

During the quarter, the Portfolio added to its existing AB InBev holding, initiated a new position in Aspen Pharmacare and trimmed its exposure to British American Tobacco.

Commentary contributed by Sean Munsie

Fund manager quarterly commentary as at 31 March 2025

1. Alexander Forbes 3-month Deposit Index plus 2% p.a.

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Portfolio objective and benchmark

This Portfolio is for risk-averse institutional investors. It aims to offer superior returns to money market investments with limited capital volatility whilst striving for capital preservation over any two-year period. In terms of Allan Gray’s risk-profiled range, this portfolio has less risk of capital loss than the Balanced Portfolio. The benchmark is the Alexander Forbes 3-month Deposit Index plus 2% or CPI plus 3%.

Product profile

- Conservatively managed pooled portfolio.
- Investments selected from all local asset classes.
- We attempt to limit the risk of capital loss by holding shares with limited downside or attractive dividend yields and/or hedging stock market exposure.
- Modified duration of the fixed interest component will be conservative.

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 or fixed fee.

Compliance with Prudential Investment Guidelines

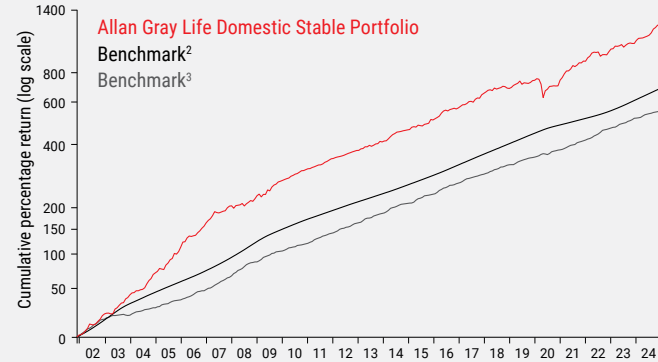
The Portfolio is managed to comply with Regulation 28 of the Pension Funds Act (“the Pension Funds Act”). Exposures in excess of the limits will be corrected immediately, except where due to a change in the fair value or characteristic of an asset, e.g. market value fluctuations, in which case they will be corrected within the prescribed regulatory time period. Allan Gray Life Limited does not monitor compliance with section 19(4) of the Pension Funds Act (item 6 of Table 1 to Regulation 28) on behalf of retirement funds invested in the pool.

Portfolio information on 31 March 2025

Assets under management	R1 608m
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Performance gross of fees

Cumulative performance since inception¹



% Returns ⁴	Portfolio	Benchmark ²	Benchmark ³
Since inception ¹	11.9	9.4	8.5
Latest 10 years	9.2	8.4	8.0
Latest 5 years	13.6	7.9	8.0
Latest 3 years	9.2	9.3	8.2
Latest 2 years	11.1	10.1	7.3
Latest 1 year	15.0	10.0	6.2
Latest 3 months	3.2	2.3	2.8

Asset allocation on 31 March 2025

Asset class	Total ⁵
Net equities	21.7
Hedged equities	6.9
Property	0.3
Commodity-linked	1.9
Bonds	54.2
Money market and cash	14.9
Total (%)⁵	100.0

1. Since alignment date (1 December 2001).
2. Alexander Forbes 3-month Deposit Index plus 2% p.a.
3. CPI plus 3% p.a. The return for March 2025 is an estimate. CPI inflation has been calculated based on the most recent rebased values from Stats SA, reflecting the data as at 28 February 2025 (source: IRESS).
4. Investment returns are annualised (unless stated otherwise), except for periods less than one year. Performance as calculated by Allan Gray as at 31 March 2025.
5. There may be slight discrepancies in the totals due to rounding.

Top 10 share holdings on 31 March 2025 (updated quarterly)

Company	% of portfolio
AB InBev	3.7
AngloGold Ashanti	2.9
British American Tobacco	2.9
Standard Bank	1.8
Gold Fields	1.6
Woolworths	1.3
Sappi	1.1
Sasol	1.0
Premier Group	1.0
Nedbank	0.9
Total (%)⁵	18.2

The first quarter of 2025 saw the local equity market add to the strong gains posted in the preceding year, with the FTSE/JSE All Share Index returning 5.9%. Among the largest contributors to returns at the index level were precious metal miners, telecommunications providers and the dual-listed consumer goods companies, including AB InBev, British American Tobacco and Richemont. Gains for the local banks, insurers and retailers have either begun to stall or go backwards, while the diversified miners and other cyclical rand hedges Sasol and Mondi have continued to struggle in the new year. The FTSE/JSE All Bond Index eked out a 0.7% gain for the quarter, as the risk premium on local government bonds increased, particularly on longer-dated instruments.

Against this backdrop, the Portfolio returned 3.2% for the quarter – 0.9% ahead of its benchmark¹.

Portfolio holdings in AB InBev and gold miners were among the largest contributors to performance. Gains for AngloGold Ashanti, Gold Fields and DRDGOLD have been particularly strong, with share prices more than 50% higher year to date in rands – this as the gold price breached US\$3 000 per ounce for the first time and continued to set new highs. Predominant trends, including diversification away from the US dollar with increased interest in gold as a reserve asset, fears of stagflation in developed economies as growth slows, and political and trade uncertainties, remain more relevant than ever. Despite this, equity investors remain sceptical of the trajectory of the gold price, with valuations of the miners, including those mentioned above, screening as very compelling at the spot price.

It is worthwhile noting that events occurring immediately post quarter end pose a possible threat to wider risk asset returns – namely, the sustainability of the government of national unity locally following the conflict-ridden Budget process and the ratcheting up of global trade tensions after President Donald Trump's "Liberation Day" tariff announcements. Last quarter, we wrote about our concerns regarding unsustainable valuation levels both locally and globally, and what this may mean for future returns. This, coupled with geopolitical pressures and elevated uncertainty, makes for increased market volatility ahead.

In our opinion, the Portfolio's current defensive positioning in terms of stock selection, a 21.7% net equity weight (which is below the 40% maximum), its allocation towards hedged equities, and its lower-duration bond holdings ensure that we are well placed to navigate these challenges.

During the quarter, the Portfolio added to its existing AB InBev holding, initiated a new position in Aspen Pharmacare and trimmed its exposure to British American Tobacco.

Commentary contributed by Sean Munsie

Fund manager quarterly commentary as at 31 March 2025

1. Alexander Forbes 3-month Deposit Index plus 2% p.a.

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Portfolio objective and benchmark

The Portfolio aims to balance capital appreciation, income generation and risk of loss in a diversified global multi asset class portfolio. The benchmark is a composite consisting of 60% of the MSCI World Index (net dividends reinvested) and 40% of the J.P. Morgan Global Government Bond Index.

Product profile

- This is a feeder portfolio, investing in the Orbis SICAV Global Balanced Fund which is actively managed by Orbis.

Investment specifics

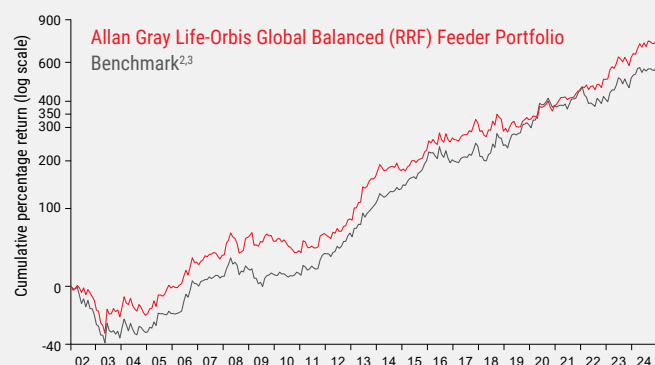
- This Portfolio is available as a linked policy issued by Allan Gray Life Limited available only to retirement funds.
- Minimum investment: R20m.
- The Base Refundable Reserve Fee is levied in the underlying Orbis SICAV Global Balanced Fund.

MSCI data

*The blended returns are calculated by Orbis Investment Management Ltd using end-of-day index level values licensed from MSCI ("MSCI Data"). For the avoidance of doubt, MSCI is not the benchmark "administrator" for, or a "contributor", "submitter" or "supervised contributor" to, the blended returns, and the MSCI Data is not considered a "contribution" or "submission" in relation to the blended returns, as those terms may be defined in any rules, laws, regulations, legislation or international standards. MSCI Data is provided "AS IS" without warranty or liability and no copying or distribution is permitted. MSCI does not make any representation regarding the advisability of any investment or strategy and does not sponsor, promote, issue, sell or otherwise recommend or endorse any investment or strategy, including any financial products or strategies based on, tracking or otherwise utilising any MSCI Data, models, analytics or other materials or information.

Performance net of fees¹

Cumulative performance since inception



% Returns ^{1,4}	Portfolio		Benchmark ^{2,3}	
	ZAR	US\$	ZAR	US\$
Since inception	10.0	7.8	8.6	6.5
Latest 10 years	12.2	7.7	10.3	5.8
Latest 5 years	16.2	15.5	8.9	8.2
Latest 3 years	18.2	9.4	11.6	3.3
Latest 2 years	17.2	15.1	11.3	9.3
Latest 1 year	11.1	14.5	1.9	5.0
Latest 3 months	5.8	8.2	-2.1	0.1

Asset allocation on 31 March 2025

This portfolio invests solely into the Orbis SICAV Global Balanced Fund

	Total ⁶	United States	UK	Europe ex-UK ⁶	Japan	Other ⁵	Emerging markets
Net equities	54.8	9.5	12.6	9.8	6.7	5.6	10.7
Hedged equities	17.6	10.3	1.0	4.0	0.4	0.6	1.5
Property	0.6	0.0	0.0	0.0	0.6	0.0	0.0
Commodity-linked	6.0	6.0	0.0	0.0	0.0	0.0	0.0
Bonds	18.5	13.3	0.7	1.0	0.0	0.0	3.5
Money market and cash	2.4	1.6	0.0	0.6	0.1	0.1	0.0
Total (%)⁶	100.0	40.7	14.3	15.3	7.7	6.3	15.6
Currency exposure	100.0	25.0	13.3	26.8	16.8	10.3	7.8
Benchmark	100.0	63.7	4.6	17.0	9.8	4.9	0.0

Portfolio information on 31 March 2025

Assets under management	R727m
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- The returns prior to 1 August 2015 are those of the Allan Gray Life Foreign Portfolio since its inception on 23 January 2002. This Portfolio invested in a mix of Orbis funds. The Investor Class Fee was levied in the underlying Orbis funds.
- 60% of the MSCI World Index (net dividends reinvested) and 40% of the J.P. Morgan Global Government Bond Index*.
- The benchmark prior to 1 August 2015 was that of the Allan Gray Life Foreign Portfolio which is 60% of the MSCI All Country World Index and 40% of the J.P. Morgan Global Government Bond Index.
- Investment returns are annualised (unless stated otherwise), except for periods less than one year. Performance as calculated by Allan Gray as at 28 February 2025.
- Refers to developed markets only.
- There may be slight discrepancies in the totals due to rounding.

Top 10 holdings on 31 March 2025 (updated quarterly)

Company	% of portfolio
US TIPS >10 Years	6.6
SPDR Gold Trust	5.9
Kinder Morgan	4.1
Siemens Energy	2.8
Samsung Electronics	2.8
Nintendo	2.6
Taiwan Semiconductor Mfg	2.5
Leonardo	2.4
Burford Capital	2.0
Shell	2.0
Total (%)⁶	33.8

Uncertainty is the order of the day in the US, and that is not what markets were expecting in January. Coming into the year, the US stock market traded at sky-high valuations, having notched two consecutive years of 20% plus returns. Strong equity returns, strong profit growth, strong economic growth and a market-friendly Trump were all priced as virtual certainties.

That made us cautious. When prices are high, expectations are high, and when expectations are high, so is risk. We were positioned against the consensus narrative of American exceptionalism, and we are still positioned that way, because prices haven't changed all that much.

Net of hedging, we have less exposure to stock market risk than the 60/40 index benchmark, and our fixed income holdings are longer-term than they have ever been. In addition to valuations, we have concerns about the US economy's dependence on the stock market.

Two-thirds of US gross domestic product (GDP) is consumer spending. Over half of that spending, and all of the spending growth over the last two years, has been driven by the top 20% of households by income, who have been happy to keep splurging because they own lots of stocks, which have been up. As the stock market has soared, it has grown larger versus the US economy. Today, the S&P 500 is valued at about 160% of US GDP.

Said another way, the US economy has become more dependent on the stock market. Researchers from Moody's estimate that for every extra dollar in household wealth, households spend an extra two or three cents. Over the past few years, this has been a boon for the economy. But now, the economy depends on consumer spending, the only consumers spending are the rich ones, and their spending depends on rising stock markets. The market, for the moment anyway, has stopped going up. What does that spell for the economy?

This time, the government doesn't seem inclined to help. The American poet Maya Angelou said, *"When someone shows you who they are, believe them the first time."* Investors would do well to heed that advice, particularly regarding President Donald Trump and Treasury Secretary Scott Bessent. A selection of quotes from Trump:

"There is a period of transition."

"I hate to predict things like that [recessions]."

"Look, we're going to have disruption, but we're okay with that."

"There'll always be a little short-term interruption."

"I'm not even looking at the stock market."

And from Bessent:

"There is no [Trump] put."

"There's going to be a detox period."

"We'll see whether there's pain."

"Could we be seeing this economy that we inherited starting to roll a bit? Sure."

"Can you guarantee there is not going to be a recession? I can't guarantee anything."

If the President and Treasury secretary are willing to stomach a recession in pursuit of their longer-term policy goals, who are we to argue? Both are explicit in their desire to bring down the 10-year US Treasury yield, and allowing a short-term recession would be one way to do that.

Normally, it would then fall to the central bank to support the economy, but the Federal Reserve (the Fed) is stuck between its dual goals of limiting inflation and limiting unemployment. If the Fed raises interest rates to fight inflation, it risks crushing the economy, but if it cuts rates to support the economy, inflation expectations could rise rapidly.

Both scenarios would be reasonable for US Treasury Inflation Protected Securities (TIPS). As a reminder, TIPS are Treasury bonds where the repayment amount is adjusted for inflation. If interest rates and bond yields decline, TIPS should benefit, as bond prices go up when bond yields go down. If rates stay high or rise, the most likely reason would be high inflation, and TIPS should benefit from adjustments to their repayment amount.

Over the past quarter, we have meaningfully increased our positions in long-term TIPS, and they are now among the Portfolio's top holdings. The 2.3% inflation-protected yield on 30-year TIPS is both above average versus historical bond returns and, in our view, unsustainably high given America's government debt problem.

If we can lock in a 2.3% real return on a fairly safe asset, this raises the bar for everything else in the Portfolio. With equity valuations still reasonable outside the US, we've found plenty of opportunities, but the biggest competition for capital in the Portfolio today is between TIPS and hedged equity.

Hedged equity lets us buy stocks we like in markets we don't. We buy individual stocks that we believe are undervalued, then hedge out some of the associated stock market risk, leaving us with the difference between the relative return of our stock versus its local market, plus a cash-like return. Today, the riskiest-looking market – the US – is also the market with the highest interest rates, so US hedged equity offers a cash return of about 4%, plus the relative return of our stock selections. That makes hedged equity a very competitive option for the lower-risk part of the Portfolio.

With little exposure to the US stock market and the US dollar, defensive positioning in TIPS and hedged equity, and a collection of attractively valued shares, we believe the Portfolio is well positioned to both handle market volatility and deliver pleasing long-term returns.

We exited the position in US-based managed care organisation (MCO) UnitedHealth Group on concerns that it may face increased regulatory scrutiny and reallocated capital to another US MCO, Elevance Health. In addition, we established a new position in Microchip Technology, a US-based semiconductor manufacturer of microcontrollers and analogue chips.

Adapted from a commentary contributed by Alec Cutler, Orbis Investment Management Limited, Bermuda, and Rob Perrone, Orbis Portfolio Management (Europe) LLP, London

Fund manager quarterly commentary as at 31 March 2025

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J.P. Morgan Index

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Portfolio objective and benchmark

This Portfolio is designed for institutional investors seeking superior absolute returns (in excess of inflation) over the long term with a higher risk tolerance in the short term than the Balanced Portfolio. The benchmark is the mean performance of the large managers as surveyed by consulting actuaries.

Product profile

- Actively managed pooled portfolio.
- Investments selected from all asset classes.
- Investments may include foreign funds including, but not limited to, those managed by Orbis. Orbis is our global investment management partner which shares the same founder and investment philosophy as Allan Gray.
- Fully reflects the manager’s strong investment convictions and could deviate considerably in both asset allocation and stock selection from the average retirement portfolio.

Investment specifics

- This Portfolio is available as a linked policy issued by Allan Gray Life Limited available only to retirement funds.
- Minimum investment: R20m.
- Performance based fee.
- The Base Refundable Fee Reserve is levied in the underlying Orbis funds.

Compliance with Prudential Investment Guidelines

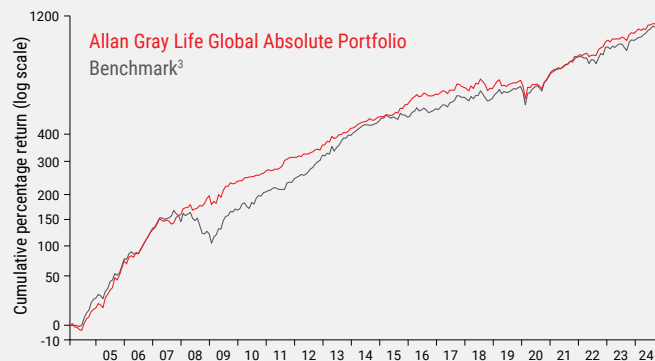
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Portfolio information on 31 March 2025

Assets under management	R2 004m
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Performance¹

Cumulative performance since inception²



% Returns ⁴	Portfolio ¹	Benchmark ³
Since inception ²	12.8	12.6
Latest 10 years	8.5	8.3
Latest 5 years	14.4	14.8
Latest 3 years	11.1	10.2
Latest 2 years	10.7	12.0
Latest 1 year	10.0	14.0
Latest 3 months	3.2	2.1

Asset allocation on 31 March 2025⁵

Asset class	Total ⁷	South Africa	Foreign
Net equities	60.7	35.3	25.3
Hedged equities	14.3	6.8	7.6
Property	1.4	0.2	1.2
Commodity-linked	4.7	4.7	0.0
Bonds	12.9	8.3	4.6
Money market and cash ⁶	6.0	3.2	2.8
Total (%)⁷	100.0	58.6	41.4

- Performance is gross of Allan Gray fees. Underlying Orbis fund returns are net of fees.
- Since alignment date (1 March 2004).
- Mean of Alexander Forbes Global Large Manager Watch. The return for March 2025 is an estimate.
- Investment returns are annualised (unless stated otherwise), except for periods less than one year. Performance as calculated by Allan Gray as at 31 March 2025.
- Underlying holdings of foreign funds are included on a look-through basis.
- Including currency hedges.
- There may be slight discrepancies in the totals due to rounding.

Top 10 share holdings on 31 March 2025 (SA and Foreign) (updated quarterly)⁵

Company	% of portfolio
AB InBev	6.1
British American Tobacco	4.1
Standard Bank	3.7
Naspers & Prosus	3.4
Woolworths	3.1
The Walt Disney Company	3.0
AngloGold Ashanti	2.2
Nedbank	1.9
Gold Fields	1.8
MultiChoice	1.6
Total (%)⁷	31.0

2024 was a strong year for local assets, and this positive momentum carried through into the first quarter of 2025. The FTSE/JSE All Share Index generated a return of 13% in 2024 and 6% in the quarter, while the FTSE/JSE All Bond Index returned 17% in 2024 and 1% for the quarter. Global equity markets also performed well in 2024 but have had a softer start to 2025. The MSCI World Index rose 19% in US dollars in 2024 but fell 2% in the first quarter of 2025.

The Portfolio returned 3.2% for the quarter, outperforming its benchmark by 1.2%. Local performance was driven by large multinational “rand-hedge” shares, such as AB InBev and British American Tobacco. This is a reversal of one of the dominant trends of 2024: Following the national elections and the formation of the government of national unity (GNU) in June 2024, domestically focused “SA Inc” shares strongly outperformed rand-hedge shares. The Portfolio responded by reducing select SA Inc exposure in the second half of 2024 and adding to its rand-hedge positions. SA bonds also had a strong 2024 but have come under pressure in the last six months. A conservative bond stance and favouring rand-hedge shares detracted from performance last year but have supported performance in the most recent quarter.

The formation of the GNU sparked a wave of optimism about South Africa’s future, both locally and abroad. Some of this was driven by hopes of political reform and economic recovery, but it also reflected relative appeal – many emerging markets were in deeper turmoil, making South Africa look comparatively stable. While we acknowledge encouraging signs, such as improvements at Eskom, our research suggests that broader progress has been limited. State-owned enterprises continue to face deep structural issues, and the business environment remains difficult. Recent financial results from consumer-focused companies reinforce this view – many continue to report subdued earnings as household spending remains under pressure.

This highlights the danger of paying a premium for optimism. When expectations run ahead of fundamentals, prices can detach from reality.

Our approach remains rooted in bottom-up analysis, favouring companies priced well below their intrinsic value, across sectors and regions. While there are still undervalued SA Inc shares, many are now priced for perfection in an economy still facing major headwinds. The difficulty in passing the first coalition budget and ongoing public tension between our government and the United States are good reminders of the economic and political risks.

There is value in having a diversified portfolio containing both SA Inc and rand-hedge stocks. The Portfolio reflects that there are attractive opportunities available in both categories. SA bonds offer high yields that appear very attractive at first glance, but we remain concerned about the fiscal challenges facing the SA government. Despite a steepening yield curve, the Portfolio maintains a conservative duration position, preferring shorter-dated bonds.

Offshore stock selection contributed to relative performance in the quarter. We remain underweight the US market and mega-cap tech – areas that have driven global market returns for several years but now appear increasingly crowded and expensive. There have been early signs of this trend shifting. European equities, long neglected by investors, have attracted fresh interest. Emerging markets, too, outperformed the MSCI World Index this quarter. Japan, often overlooked in global portfolios, offers compelling opportunities for uncorrelated returns in a concentrated global market. The majority of the Portfolio’s 41% foreign allocation is in equities, with the remainder mostly in hedged equities and short-dated bonds. This positioning reflects our view that the overall global stock market remains expensive and longer-dated global government bonds don’t offer compelling value either. The offshore portion of the Portfolio continues to look very different from the world index and many of our competitors, a divergence we believe will benefit long-term returns.

During the quarter, the Portfolio added to AB InBev and Aspen Pharmacare, and reduced exposure to British American Tobacco and Gold Fields.

Commentary contributed by Tim Acker

**Fund manager quarterly
commentary as at
31 March 2025**

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Past performance is not indicative of future performance.

FTSE/JSE All Share Index, FTSE/JSE Capped Shareholder Weighted All Share Index and FTSE/JSE All Bond Index

The FTSE/JSE All Share Index, FTSE/JSE Capped Shareholder Weighted All Share Index and FTSE/JSE All Bond 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 All Bond 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 All Bond Index vests in FTSE and the JSE jointly. All their rights are reserved.

MSCI Index

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FTSE Russell Index

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Portfolio objective and benchmark

This Portfolio is for institutional investors with an average risk tolerance. It aims to offer long-term returns superior to the benchmark, but at lower risk of capital loss. In terms of Allan Gray’s risk-profiled range, this Portfolio has a higher risk of capital loss than the Stable Portfolio, but less than the Absolute Portfolio. The benchmark is the mean performance of the large managers as surveyed by consulting actuaries.

Product profile

- Actively managed pooled portfolio.
- Investments selected from all asset classes.
- Investments may include foreign funds including, but not limited to, those managed by Orbis. Orbis is our global investment management partner which shares the same founder and investment philosophy as Allan Gray.
- Represents Allan Gray’s ‘houseview’ for a global balanced mandate.

Investment specifics

- This Portfolio is available as a linked policy issued by Allan Gray Life Limited available only to retirement funds.
- Minimum investment: R20m.
- Performance based fee.
- The Investor Class Fee is levied on the Orbis funds.

Compliance with Prudential Investment Guidelines

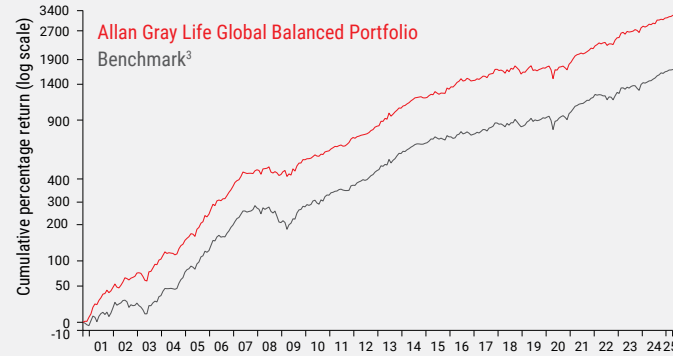
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Portfolio information on 31 March 2025

Assets under management	R700m
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Performance¹

Cumulative performance since inception²



% Returns ⁴	Portfolio ¹	Benchmark ³
Since inception ²	15.4	12.5
Latest 10 years	9.5	8.3
Latest 5 years	15.6	14.8
Latest 3 years	11.6	10.2
Latest 2 years	11.5	12.0
Latest 1 year	10.9	14.0
Latest 3 months	3.0	2.1

Asset allocation on 31 March 2025⁵

Asset class	Total ⁷	South Africa	Foreign
Net equities	61.9	35.3	26.7
Hedged equities	12.1	3.3	8.8
Property	1.5	0.2	1.4
Commodity-linked	2.6	2.6	0.0
Bonds	14.1	10.7	3.4
Money market and cash ⁶	7.7	4.5	3.2
Total (%)⁷	100.0	56.6	43.4

- Performance is gross of Allan Gray fees. Underlying Orbis fund returns are net of fees.
- Since alignment date (1 September 2000).
- Mean of Alexander Forbes Global Large Manager Watch. The return for March 2025 is an estimate.
- Investment returns are annualised (unless stated otherwise), except for periods less than one year. Performance as calculated by Allan Gray as at 31 March 2025.
- Underlying holdings of foreign funds are included on a look-through basis.
- Including currency hedges.
- There may be slight discrepancies in the totals due to rounding.

Top 10 share holdings on 31 March 2025 (SA and Foreign) (updated quarterly)⁵

Company	% of portfolio
AB InBev	4.0
Naspers & Prosus	3.9
British American Tobacco	3.7
Standard Bank	2.0
AngloGold Ashanti	1.9
The Walt Disney Company	1.9
Nedbank	1.8
Woolworths	1.6
Remgro	1.5
Glencore	1.4
Total (%)⁷	23.7

2024 was a strong year for local assets, and this positive momentum carried through into the first quarter of 2025. The FTSE/JSE All Share Index generated a return of 13% in 2024 and 6% in the quarter, while the FTSE/JSE All Bond Index returned 17% in 2024 and 1% for the quarter. Global equity markets also performed well in 2024 but have had a softer start to 2025. The MSCI World Index rose 19% in US dollars in 2024 but fell 2% in the first quarter of 2025.

The Portfolio returned 3.0% for the quarter, outperforming its benchmark by 1.0%. Local performance was driven by large multinational “rand-hedge” shares, such as AB InBev and British American Tobacco. This is a reversal of one of the dominant trends of 2024: Following the national elections and the formation of the government of national unity (GNU) in June 2024, domestically focused “SA Inc” shares strongly outperformed rand-hedge shares. The Portfolio responded by reducing select SA Inc exposure in the second half of 2024 and adding to its rand-hedge positions. SA bonds also had a strong 2024 but have come under pressure in the last six months. A conservative bond stance and favouring rand-hedge shares detracted from performance last year but have supported performance in the most recent quarter.

The formation of the GNU sparked a wave of optimism about South Africa’s future, both locally and abroad. Some of this was driven by hopes of political reform and economic recovery, but it also reflected relative appeal – many emerging markets were in deeper turmoil, making South Africa look comparatively stable. While we acknowledge encouraging signs, such as improvements at Eskom, our research suggests that broader progress has been limited. State-owned enterprises continue to face deep structural issues, and the business environment remains difficult. Recent financial results from consumer-focused companies reinforce this view – many continue to report subdued earnings as household spending remains under pressure.

This highlights the danger of paying a premium for optimism. When expectations run ahead of fundamentals, prices can detach from reality.

Our approach remains rooted in bottom-up analysis, favouring companies priced well below their intrinsic value, across sectors and regions. While there are still undervalued SA Inc shares, many are now priced for perfection in an economy still facing major headwinds. The difficulty in passing the first coalition budget and ongoing public tension between our government and the United States are good reminders of the economic and political risks.

There is value in having a diversified portfolio containing both SA Inc and rand-hedge stocks. The Portfolio reflects that there are attractive opportunities available in both categories. SA bonds offer high yields that appear very attractive at first glance, but we remain concerned about the fiscal challenges facing the SA government. Despite a steepening yield curve, the Portfolio maintains a conservative duration position, preferring shorter-dated bonds.

Offshore stock selection contributed to relative performance in the quarter. We remain underweight the US market and mega-cap tech – areas that have driven global market returns for several years but now appear increasingly crowded and expensive. There have been early signs of this trend shifting. European equities, long neglected by investors, have attracted fresh interest. Emerging markets, too, outperformed the MSCI World Index this quarter. Japan, often overlooked in global portfolios, offers compelling opportunities for uncorrelated returns in a concentrated global market. The majority of the Portfolio’s 43% foreign allocation is in equities, with the remainder mostly in hedged equities and short-dated bonds. This positioning reflects our view that the overall global stock market remains expensive and longer-dated global government bonds don’t offer compelling value either. The offshore portion of the Portfolio continues to look very different from the world index and many of our competitors, a divergence we believe will benefit long-term returns.

During the quarter, the Portfolio added to AngloGold Ashanti and AB InBev, and reduced exposure to British American Tobacco and Gold Fields.

Commentary contributed by Tim Acker

**Fund manager quarterly
commentary as at
31 March 2025**

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MSCI Index

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Product profile

- Actively managed pooled portfolio.
- Investments selected from all asset classes.
- Investments may include foreign funds including, but not limited to, those managed by Orbis. Orbis is our global investment management partner which shares the same founder and investment philosophy as Allan Gray.
- Represents Allan Gray’s ‘houseview’ for a global balanced mandate.

Investment specifics

- This Portfolio is available as a linked policy issued by Allan Gray Life Limited available only to retirement funds.
- Minimum investment: R20m.
- Performance based fee.
- The Base Refundable Reserve Fee is levied on the Orbis funds.

Compliance with Prudential Investment Guidelines

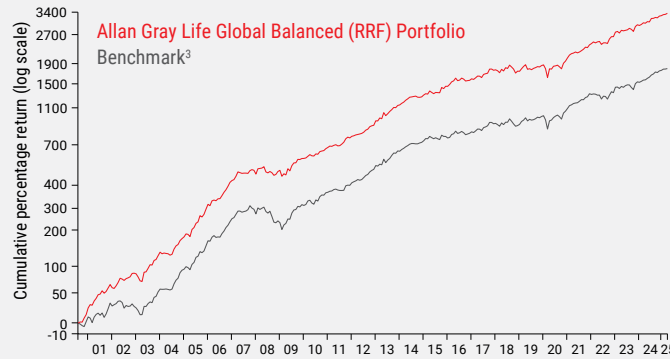
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Portfolio information on 31 March 2025

Assets under management	R34 911m
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Performance^{1,2}

Cumulative performance since inception



% Returns ^{2,4}	Portfolio ¹	Benchmark ³
Since inception	15.4	12.5
Latest 10 years	9.6	8.3
Latest 5 years	15.7	14.8
Latest 3 years	11.8	10.2
Latest 2 years	11.8	12.0
Latest 1 year	11.4	14.0
Latest 3 months	2.7	2.1

Asset allocation on 31 March 2025⁵

Asset class	Total ⁷	South Africa	Foreign
Net equities	61.7	35.4	26.3
Hedged equities	11.8	3.3	8.6
Property	1.5	0.1	1.3
Commodity-linked	2.6	2.6	0.0
Bonds	13.7	10.4	3.3
Money market and cash ⁶	8.7	4.9	3.8
Total (%)⁷	100.0	56.6	43.4

- Performance is gross of Allan Gray fees. Underlying Orbis fund returns are net of fees.
- The returns prior to 1 August 2015 are those of the Allan Gray Life Global Balanced Portfolio since its inception on 31 August 2000. The Investor Class Fee was levied in the underlying Orbis funds.
- Mean of Alexander Forbes Global Large Manager Watch. The return for March 2025 is an estimate.
- Investment returns are annualised (unless stated otherwise), except for periods less than one year. Performance as calculated by Allan Gray as at 31 March 2025.
- Underlying holdings of foreign funds are included on a look-through basis.
- Including currency hedges.
- There may be slight discrepancies in totals due to rounding.

Top 10 share holdings on 31 March 2025 (SA and Foreign) (updated quarterly)⁵

Company	% of portfolio
AB InBev	4.1
Naspers & Prosus	3.9
British American Tobacco	3.7
Standard Bank	2.0
The Walt Disney Company	1.9
AngloGold Ashanti	1.9
Nedbank	1.8
Woolworths	1.6
Remgro	1.5
Glencore	1.4
Total (%)⁷	23.7

2024 was a strong year for local assets, and this positive momentum carried through into the first quarter of 2025. The FTSE/JSE All Share Index generated a return of 13% in 2024 and 6% in the quarter, while the FTSE/JSE All Bond Index returned 17% in 2024 and 1% for the quarter. Global equity markets also performed well in 2024 but have had a softer start to 2025. The MSCI World Index rose 19% in US dollars in 2024 but fell 2% in the first quarter of 2025.

The Portfolio returned 2.7% for the quarter, outperforming its benchmark by 0.6%. Local performance was driven by large multinational "rand-hedge" shares, such as AB InBev and British American Tobacco. This is a reversal of one of the dominant trends of 2024: Following the national elections and the formation of the government of national unity (GNU) in June 2024, domestically focused "SA Inc" shares strongly outperformed rand-hedge shares. The Portfolio responded by reducing select SA Inc exposure in the second half of 2024 and adding to its rand-hedge positions. SA bonds also had a strong 2024 but have come under pressure in the last six months. A conservative bond stance and favouring rand-hedge shares detracted from performance last year but have supported performance in the most recent quarter.

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Offshore stock selection contributed to relative performance in the quarter. We remain underweight the US market and mega-cap tech – areas that have driven global market returns for several years but now appear increasingly crowded and expensive. There have been early signs of this trend shifting. European equities, long neglected by investors, have attracted fresh interest. Emerging markets, too, outperformed the MSCI World Index this quarter. Japan, often overlooked in global portfolios, offers compelling opportunities for uncorrelated returns in a concentrated global market. The majority of the Portfolio's 43% foreign allocation is in equities, with the remainder mostly in hedged equities and short-dated bonds. This positioning reflects our view that the overall global stock market remains expensive and longer-dated global government bonds don't offer compelling value either. The offshore portion of the Portfolio continues to look very different from the world index and many of our competitors, a divergence we believe will benefit long-term returns.

During the quarter, the Portfolio added to its positions in AngloGold Ashanti and AB InBev, and reduced its exposure to British American Tobacco and Gold Fields.

Commentary contributed by Tim Acker

**Fund manager quarterly
commentary as at
31 March 2025**

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FTSE/JSE All Share Index, FTSE/JSE Capped Shareholder Weighted All Share Index and FTSE/JSE All Bond Index

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MSCI Index

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Portfolio objective and benchmark

This Portfolio is for risk-averse institutional investors. It aims to offer superior returns to money market investments with limited capital volatility whilst striving for capital preservation over any two-year period. In terms of Allan Gray's risk-profiled range, this Portfolio has less risk of capital loss than the Balanced Portfolio. The benchmark is the Alexander Forbes 3-month Deposit Index plus 2% or CPI plus 3%.

Product profile

- Conservatively managed pooled portfolio.
- Investments selected from all asset classes.
- Investments may include foreign funds including, but not limited to, those managed by Orbis. Orbis is our global investment management partner which shares the same founder and investment philosophy as Allan Gray.
- We attempt to limit the risk of capital loss by holding shares with limited downside or attractive dividend yields and/or hedging stock market exposure.
- Modified duration of the fixed interest portfolio will be conservative.

Investment specifics

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

Compliance with Prudential Investment Guidelines

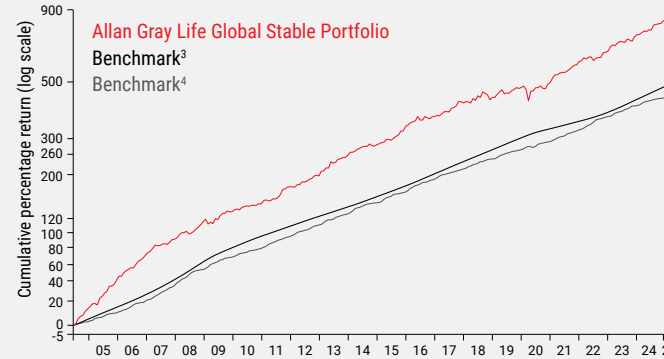
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Portfolio information on 31 March 2025

Assets under management	R5 160m
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Performance¹

Cumulative performance since inception²



% Returns ⁵	Portfolio ¹	Benchmark ³	Benchmark ⁴
Since inception ²	11.4	8.9	8.4
Latest 10 years	9.6	8.4	8.0
Latest 5 years	13.1	7.9	8.0
Latest 3 years	11.0	9.3	8.2
Latest 2 years	11.4	10.1	7.3
Latest 1 year	11.6	10.0	6.2
Latest 3 months	2.8	2.3	2.8

Asset allocation on 31 March 2025⁶

Asset class	Total ⁹	South Africa	Foreign
Net equities	24.2	12.0	12.2
Hedged equities	23.3	11.6	11.7
Property	1.0	0.1	0.8
Commodity-linked	2.1	1.4	0.7
Bonds	33.8	26.8	7.0
Money market and cash ⁷	15.7	12.9	2.8
Total (%)⁸	100.0	64.9	35.1

- Performance is gross of Allan Gray fees. Underlying Orbis fund returns are net of fees.
- Since alignment date (1 August 2004).
- Alexander Forbes 3-month Deposit Index plus 2%.
- CPI plus 3% p.a. The return for March 2025 is an estimate. CPI inflation has been calculated based on the most recent rebased values from Stats SA, reflecting the data as at 28 February 2025 (source: IRESS).
- Investment returns are annualised (unless stated otherwise), except for periods less than one year. Performance as calculated by Allan Gray as at 31 March 2025.
- Underlying holdings of foreign funds are included on a look-through basis.
- Including currency hedges.
- There may be slight discrepancies in the totals due to rounding.

Top 10 share holdings on 31 March 2025 (SA and Foreign) (updated quarterly)⁶

Company	% of portfolio
AB InBev	3.3
British American Tobacco	2.6
AngloGold Ashanti	1.9
Gold Fields	1.5
Woolworths	1.3
Nedbank	1.2
Standard Bank	1.2
Remgro	1.1
Marriott International Inc	0.8
Unilever Plc	0.7
Total (%)⁸	15.7

The first quarter of 2025 saw the local equity market add to the strong gains posted in the preceding year, with the FTSE/JSE All Share Index returning 5.9%. Among the largest contributors to returns at the index level were precious metal miners, telecommunications providers and the dual-listed consumer goods companies, including AB InBev, British American Tobacco and Richemont. Gains for the local banks, insurers and retailers have either begun to stall or go backwards, while the diversified miners and other cyclical rand hedges Sasol and Mondi have continued to struggle in the new year. The FTSE/JSE All Bond Index eked out a 0.7% gain for the quarter, as the risk premium on local government bonds increased, particularly on longer-dated instruments. The faltering US market contributed to declines in the MSCI World Index and the S&P 500, which returned -1.8% and -4.4% in US dollars respectively over the quarter.

Against this backdrop, the Portfolio returned 2.8% for the quarter, slightly ahead of its benchmark¹.

Portfolio holdings in AB InBev and gold miners were among the largest contributors to performance. Gains for AngloGold Ashanti, Gold Fields and DRDGOLD have been particularly strong, with share prices more than 50% higher year to date in rands – this as the gold price breached US\$3 000 per ounce for the first time and continued to set new highs. Predominant trends, including diversification away from the US dollar with increased interest in gold as a reserve asset, fears of stagflation in developed economies as growth slows, and political and trade uncertainties, remain more relevant than ever. Despite this, equity investors remain sceptical of the trajectory of the gold price, with valuations of the miners, including those mentioned above, screening as very compelling at the spot price.

The offshore component of the Portfolio was a contributor to overall returns, primarily driven by stock selection. Defence-related holdings were among the leading contributors, having benefited from increased global defence spending and European government commitments to future defence investment. US dollar weakness also aided returns, given the Portfolio's underweight exposure. The offshore component has been positioned against the narrative of American exceptionalism for some time and continues to have limited US exposure.

It is worthwhile noting that events occurring immediately post quarter end pose a possible threat to wider risk asset returns – namely, the sustainability of the government of national unity locally following the conflict-ridden Budget process and the ratcheting up of global trade tensions after President Donald Trump's "Liberation Day" tariff announcements. Last quarter, we wrote about our concerns regarding unsustainable valuation levels both locally and globally, and what this may mean for future returns. This, coupled with geopolitical pressures and elevated uncertainty, makes for increased market volatility ahead.

In our opinion, the Portfolio's current defensive positioning in terms of stock selection, a 24% net equity weight (which is below the 40% maximum), its sizeable asset allocation towards hedged equities, and its lower-duration bond holdings ensure that we are well placed to navigate these challenges.

During the quarter, the Portfolio added to its existing AB InBev holding, initiated a new position in Aspen Pharmacare and trimmed its exposure to British American Tobacco.

Commentary contributed by Sean Munsie

Fund manager quarterly commentary as at 31 March 2025

1. Alexander Forbes 3-month Deposit Index plus 2% p.a.

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FTSE Russell Index

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MSCI Index

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Portfolio objective and benchmark

The objective of the Portfolio is to outperform the FTSE World Index at no greater-than-average risk of loss. The benchmark is the FTSE World Index, including income.

Product profile

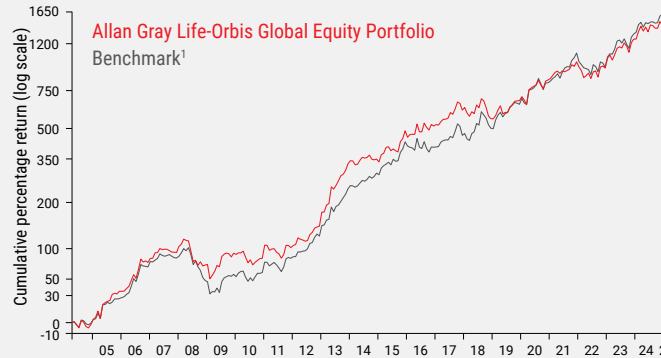
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Investment specifics

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- Minimum investment: R20m.
- The Investor Class Fee is levied in the underlying Orbis Global Equity Fund.

Performance net of fees

Cumulative performance since inception



% Returns ²	Portfolio		Benchmark ¹	
	ZAR	US\$	ZAR	US\$
Since inception	14.0	8.7	14.3	8.9
Latest 10 years	12.5	7.9	14.4	9.8
Latest 5 years	15.9	15.2	17.1	16.4
Latest 3 years	17.7	9.0	16.3	7.7
Latest 2 years	17.8	15.7	17.8	15.7
Latest 1 year	1.9	5.1	3.8	7.0
Latest 3 months	1.0	3.3	-3.7	-1.5

Asset allocation on 31 March 2025

This portfolio invests solely into the Orbis Global Equity Fund

	Total ⁴	United States	UK	Europe ex-UK ³	Japan	Other ³	Emerging markets
Net equities	96.3	44.9	12.6	11.7	5.1	3.6	18.4
Property	1.2	0.0	0.0	0.0	1.2	0.0	0.0
Money market and cash	2.4	2.2	0.0	0.1	0.0	0.0	0.1
Total (%)⁴	100.0	47.2	12.6	11.8	6.4	3.6	18.5
Currency exposure	100.0	44.8	7.8	12.4	15.8	8.2	11.1
Benchmark	100.0	67.5	3.8	12.2	6.2	5.6	4.7

Portfolio information on 31 March 2025

Assets under management	R185m
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- FTSE World Index, including income.
- Investment returns are annualised (unless stated otherwise), except for periods less than one year. Performance as calculated by Allan Gray as at 31 March 2025.
- Refers to developed markets only.
- There may be slight discrepancies in the totals due to rounding.

Top 10 share holdings on 31 March 2025 (updated quarterly)

Company	% of portfolio
QXO	6.1
Corpay	5.5
Elevance Health	5.0
Nintendo	3.5
British American Tobacco	3.0
Interactive Brokers Group	2.8
Taiwan Semiconductor Mfg	2.7
RXO	2.2
BAE Systems	2.2
GXO Logistics	2.2
Total (%)⁴	35.1

It has not been a great decade to be a value-oriented contrarian investor.

When compared against a soaring and increasingly concentrated global stock market, the opportunity for investors like us to deliver enhanced returns has been relatively bleak. To be sure, scoring a few own goals along the way hasn't helped. Our mission is to generate superior returns versus our benchmark with no greater risk of loss. And, while our net returns over the last decade have been strong in absolute terms, they've fallen short of the benchmark's returns. We recognise that we have tested your patience.

Looking back, there have been two big factors at work. The first is our own internal processes and structure. With the benefit of all the data we have collected and analysed on our own decisions, we have identified several opportunities for improvement and made changes.

Over the last three years, we have combined two of our London-based investment teams, changed our portfolio management structure to improve capital flow across regions and enhanced our risk management, both at a stock-specific and portfolio level. Notably, we have also formed a Decision Analytics team to analyse our individual behavioural patterns as investors, akin to a golf coach videoing a player's swing. Although hard to measure with precision, we believe these initiatives are already bearing fruit. For example, by comparing our analyst team's recommendations with the global opportunity set, we can see that the output of our "stock-picking engine" is significantly outperforming the typical global stock.

The other big factor is the market environment. We have written at length previously about how concentrated and skewed the global stock market benchmark has become, driven in large part by a very small number of shares which have pushed markets to extremes. Even if we had been at the top of our game, the environment of the last decade would have been a tough one in which to excel. But one thing we have repeatedly observed is that when change happens, it can happen all at once – as this most recent quarter has demonstrated.

One minute, the stock market is in a state of euphoric ecstasy, convinced by the notion of American exceptionalism and giddy on expectations for the unshackling of that country's animal spirits under a decisive, business-friendly, red-tape-cutting administration. Investors pour in. The next minute, despondency reigns. Tariff inflation will hurt consumers, and tariff uncertainty will hurt businesses. Cutting waste will mean cutting jobs, which means rising unemployment, which may mean recession. It's just the other side of the same coin. But that's the nature of economics and investing. There are two sides to everything. What drives market prices is often determined by which side of the coin investors are choosing to look at.

We find there's usually more to be gained by carefully examining the dark side of the coin. Looking from the other side can feel lonely and adversarial and comes with long periods of looking stupid. But when the market environment flips, it can do so quickly, without warning and without an intermission to let investors reposition.

For example, our long-standing underweight to the US, a relative performance drag for so long, has all-of-a-sudden flipped into a contributor. If predicting the timing of such changes in market mood can look easy with hindsight, it's anything but simple in real time – and that's exactly why we don't do it.

Instead, we're guided by how share prices deviate from our assessment of intrinsic value. While our disciplined approach can often mean we end up sitting out periods of extraordinary temporary returns as certain shares go from expensive to even more so, it's usually worth it in the end. Share prices can only fight for so long against the gravitational pull of fair value.

The first sign that share prices have gone too far is often that even extraordinary results fail to meet lofty market expectations. In late February, Nvidia reported 78% growth for its most recent quarter, yet its stock was down the next day. And it has not been alone. While the S&P 500 is down 8% from late February, the tech-heavy Nasdaq is down 13%, and the Magnificent Seven are collectively down 17%.

Does that mean those shares now provide good value again? Is the reset over? Not necessarily. When one considers just how stretched and skewed markets had become, it's possible there is further to go. On a headline basis, the US still commands a 45% valuation premium. Indeed, our research continues to suggest there is much better value elsewhere. Whether it's the likes of SK Square trading at a fraction of the value of its listed stakes, Genmab trading below the value of its existing drugs (with no value credited to future development) or the solid Elevance Health at just 13 times next year's earnings with no discernible tariff risk, we continue to find shares priced at very reasonable levels with attractive margins of safety to the downside.

On previous occasions when markets have become as dislocated as they still are today, we have typically found that shares neglected in the euphoria don't just protect downside in a market sell-off, they can actually go up as investors remove their blinders. So it is that, amid the declines in the Nasdaq, European stocks are actually up year to date. In US dollars, Japanese shares are up. Global value stocks are up. In terms of pattern recognition, that's an encouraging sign for value-oriented contrarian investors like us. Looking forward, we hope and expect that our discipline – and your patience – will finally turn out to be well rewarded.

We established a new position in Microchip Technology, a US-based semiconductor manufacturer of microcontrollers and analogue chips and established a new position in a UK-based grocery retailer. These purchases were funded by meaningfully reducing the Portfolio's position in Alphabet, Google's parent company, and US-based managed care organisation UnitedHealth Group.

Adapted from a commentary contributed by Ben Preston, Orbis Portfolio Management (Europe) LLP, London

Fund manager quarterly commentary as at 31 March 2025

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MSCI Index

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Portfolio objective and benchmark

The objective of the Portfolio is to outperform the MSCI World Index at no greater-than-average risk of loss. The benchmark is the MSCI World Index, with net dividends reinvested.

Product profile

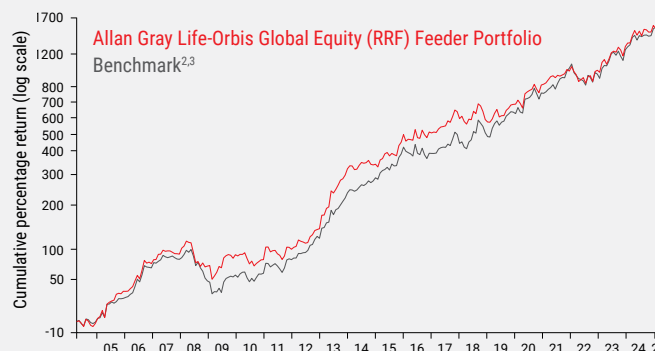
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Investment specifics

- This Portfolio is available as a linked policy issued by Allan Gray Life Limited available only to retirement funds.
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Performance net of fees¹

Cumulative performance since inception



% Returns ^{1,4}	Portfolio		Benchmark ^{2,3}	
	ZAR	US\$	ZAR	US\$
Since inception	14.4	9.0	14.2	8.8
Latest 10 years	13.3	8.7	14.2	9.5
Latest 5 years	16.7	16.0	16.8	16.1
Latest 3 years	18.8	10.0	16.2	7.6
Latest 2 years	19.3	17.2	17.8	15.7
Latest 1 year	3.4	6.6	3.8	7.0
Latest 3 months	1.5	3.8	-4.0	-1.8

Asset allocation on 31 March 2025

This portfolio invests solely into the Orbis Institutional Global Equity Fund

	Total ⁶	United States	UK	Europe ex-UK ⁵	Japan	Other ⁵	Emerging markets
Net equities	96.6	45.2	12.7	11.7	5.2	3.4	18.4
Property	1.2	0.0	0.0	0.0	1.2	0.0	0.0
Money market and cash	2.2	2.0	0.0	0.1	0.0	0.0	0.1
Total (%)⁶	100.0	47.1	12.7	11.8	6.5	3.4	18.5
Currency exposure	100.0	45.2	7.9	12.6	15.9	7.9	10.5
Benchmark	100.0	72.0	3.8	12.9	5.4	5.9	0.0

Portfolio information on 31 March 2025

Assets under management	R1 134m
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- The returns prior to 1 April 2015 are those of the Allan Gray Life-Orbis Global Equity Portfolio since its inception on 18 May 2004. The Investor Class Fee was levied in the underlying Orbis Global Equity Fund.
- The benchmark prior to 1 April 2015 was that of the Allan Gray Life-Orbis Global Equity Portfolio which was the FTSE World Index, including income.
- MSCI World Index, with net dividends reinvested.
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Taiwan Semiconductor Mfg	2.7
Rolls-Royce Holdings	2.2
BAE Systems	2.2
RXO	2.2
Total (%)⁶	35.6

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Adapted from a commentary contributed by Ben Preston, Orbis Portfolio Management (Europe) LLP, London

Fund manager quarterly commentary as at 31 March 2025

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