# Allan Gray Australia Equity Fund (Class A)

FUND FACT SHEET 31 JULY 2019

ALLANGRAY
CONTRARIAN INVESTING

## FOR INVESTORS RESIDING IN SOUTH AFRICA

If you are a South African investor, this Fund Fact Sheet is a Minimum Disclosure Document (MDD) and general investor report for the Fund, as required by the Collective Investment Schemes Control Act 2002 (South Africa). The MDD must be read together with the Fund's Product Disclosure Statement and accompanying Information Booklet (together the PDS).

Using Allan Gray's contrarian investment philosophy, the Fund seeks to provide a long-term return that exceeds the S&P/ASX 300 Accumulation Index (Benchmark).

## INVESTMENT APPROACH

The Fund's investment approach is to buy securities that offer long-term value, that are currently unpopular with the general investment community or are not well known. Allan Gray will not buy a security simply because it is in the Benchmark. Similarly, Allan Gray will buy significant positions in securities that are not in the Benchmark if they offer outstanding value, based on our bottom-up, fundamental valuation of the opportunity. Returns from the Fund can be volatile, particularly over the short and medium term.

In implementing the Fund's strategy, Allan Gray adheres to detailed investment restrictions and limits, as set out in the Fund's Product Disclosure Statement and accompanying Information Booklet.

## KEY INFORMATION*

| | |
|---|---|
| **Class size** | AUD 1,662 million |
| **Fund size** | AUD 1,840 million |
| **Strategy size** | AUD 6.8 billion |
| **Public launch date** | 4 May 2006 |
| **Price (net asset value)** | AUD 1.7187 |
| **Buy/sell spread** | +0.2 / -0.2% |
| **Minimum** | AUD 10,000 or AUD 500/month |
| **Pricing frequency** | Daily |
| **Distribution frequency** | Annual |
| **Base fee** | 0.75% p.a. |
| **Performance fee** | 20% |
| **APIR code** | ETL0060AU |
| **ISIN** | AU60ETL00600 |

## FEES AND EXPENSES FOR THE LAST 12 MONTHS (CLASS A)^

| | |
|---|---|
| Base fee | 0.77% |
| Performance fee | 0.00% |
| Other expenses | 0.00% |
| **Total expense ratio (TER)** | **0.77%** |

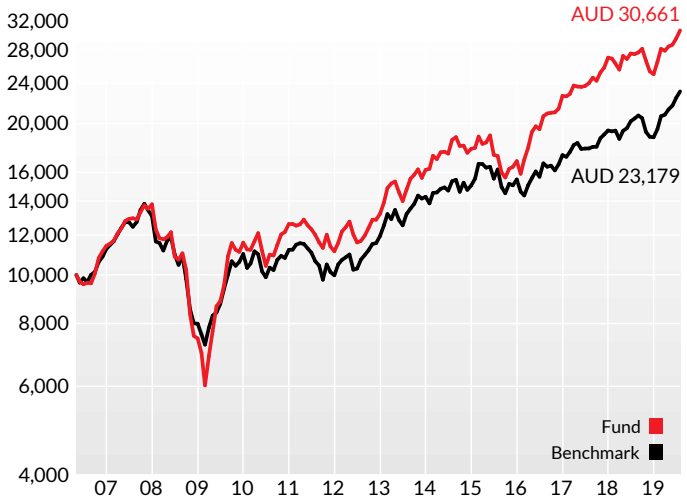
## PERFORMANCE NET OF ALL FEES AND EXPENSES

| | FUND | BENCHMARK | RELATIVE |
|---|---|---|---|
| **Annualised %** | | | |
| Since launch (4 May 2006) | 8.8 | 6.6 | **2.2** |
| 10 years | 12.4 | 9.5 | **2.9** |
| 5 years | 10.6 | 8.6 | **2.0** |
| 3 years | 14.0 | 11.6 | **2.4** |
| 1 year | 11.5 | 13.2 | **(1.7)** |

| | FUND | CALENDAR YEAR |
|---|---|---|
| **Annualised %** | | |
| Highest | 55.1 | 2009 |
| Lowest | (45.9) | 2008 |

The benchmark is the S&P/ASX 300 Accumulation Index. All performance returns shown are net of fees and assume reinvestment of distributions. Returns are annualised and show the average amount earned on an investment in the Class each year over the given time period. The highest and lowest returns earned during any calendar year since the launch of the Class are shown below to demonstrate the variability of returns. The complete return history for the Class can be obtained by contacting our Client Services team.

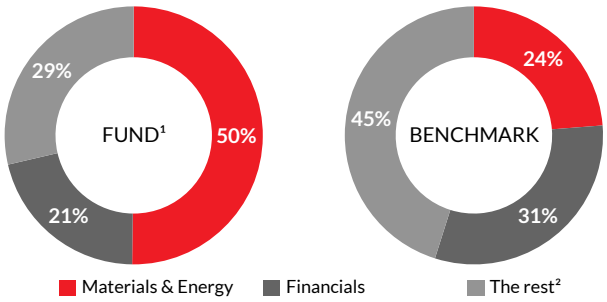
**Value of AUD 10,000 invested since launch**



## DISTRIBUTIONS

| YEAR | CENTS PER UNIT | DISTRIBUTION RETURN |
|---|---|---|
| 30 June 2019 | 15.8894 | 9.4% |
| 30 June 2018 | 12.0242 | 7.7% |
| 30 June 2017 | 5.8465 | 4.4% |
| 30 June 2016 | 3.9227 | 3.2% |
| 30 June 2015 | 11.3820 | 8.5% |

## SECTOR ALLOCATIONS

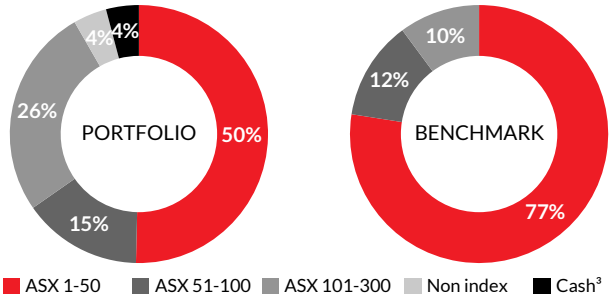



1. The composition of the Fund has not changed significantly over the last month.
2. The rest includes the following sectors: Consumer Discretionary, Consumer Staples, Health Care, Industrials, Information Technology, Real Estate, Communication Services, Utilities and Net Current Assets.

## TOP FUND HOLDINGS AS AT 30 JUNE 2019

| HOLDINGS | % OF FUND |
|---|---|
| Newcrest Mining | 9.9 |
| Woodside Petroleum | 9.0 |
| Alumina | 6.4 |
| QBE Insurance Group | 5.8 |
| Origin Energy | 5.7 |
| Sims Metal Management | 5.7 |
| National Australia Bank | 5.5 |
| Telstra | 4.8 |
| Metcash | 4.5 |
| Oil Search | 3.7 |
| **TOTAL** | **61.0** |

## CLASSIFICATION OF HOLDINGS




3. The Fund uses ASX-listed futures contracts to maintain its exposure to the ASX.

## CONTRIBUTION FROM ASX-LISTED SECURITIES RELATIVE TO THE BENCHMARK

| TOP 5 – LATEST MONTH | % CONTRIBUTION |
|---|---|
| Newcrest Mining | 0.7 |
| Metcash | 0.4 |
| Origin Energy | 0.3 |
| Austal | 0.2 |
| Nufarm | 0.2 |

| BOTTOM 5 – LATEST MONTH | % CONTRIBUTION |
|---|---|
| Woodside Petroleum | (0.7) |
| AMP | (0.6) |
| Alumina | (0.2) |
| Sims Metal Management | (0.2) |
| CYBG | (0.1) |

## PORTFOLIO CONCENTRATION

| (%) | CURRENT | 3 YRS AGO | 5 YRS AGO |
|---|---|---|---|
| Top 10 Holdings | 63 | 57 | 50 |
| Top 25 Holdings | 89 | 85 | 82 |
| Top 50 Holdings | 96 | 94 | 96 |

Allan Gray Australia Pty Limited is the appointed investment manager of the Allan Gray Australia Equity Fund ARSN 117 746 666. The Fund is offered by Equity Trustees Limited, ABN 46 004 031 298, AFSL 240975, as the Fund's Responsible Entity. Equity Trustees Limited is a subsidiary of EQT Holdings Limited, a publicly listed company on the Australian Stock Exchange (ASX:EQT). Equity Trustees Limited may be contacted on +61 3 8623 5000.

**General** Investors should consider the Fund's PDS before making any investment decision. The PDS, daily unit prices and additional information about the Fund can be obtained free of charge by contacting Allan Gray or from www.allangray.com.au. Managed investment schemes are generally medium to long-term investments. They are traded at prevailing prices and the value of units may go down as well as up. There are risks with investing in the Fund and there is no guarantee of repayment of capital or return on your investment. Managed investment schemes may borrow and engage in securities lending. Past performance is not a reliable indicator of future results. Investors should always consider seeking professional financial advice. This document has been prepared without considering any person's financial circumstances, needs or objectives. It also does not constitute a recommendation, an offer to sell or a solicitation to buy units in the Fund. While Allan Gray has endeavoured to ensure the accuracy of this document neither Allan Gray, Equity Trustees Limited nor any of its related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Totals presented in this document may not sum due to rounding.

**Notice to foreign persons** The Fund does not accept US persons as investors and is not marketed in the European Economic Area (EEA). Investors resident in the EEA can only invest in the Fund under certain circumstances as determined by, and in compliance with, applicable law. For South African purposes, the Fund is categorised as a worldwide multi-asset flexible portfolio.

**Valuation and pricing times** The Fund's net asset value is calculated at 4.30pm (Sydney time) each business day, with prices determined the following day. Application and redemption requests must be received by 2pm (Sydney time) each business day to receive that day's price. Prices are cum-distribution.

*** Notes on key information** The performance fee for Class A is 20% of the Class' outperformance, net of the base fee, in comparison to the Benchmark. It is only payable where the outperformance of Class A exceeds the high water mark, which represents the highest level of outperformance, net of base fees, since the public launch of Class A. The base fee and the performance fee (if applicable) are calculated and accrued daily, and paid monthly. Goods and Services Tax, net of Reduced Input Tax Credit, is applicable to the base fee and the performance fee. A schedule of fees and charges is available in the Fund's PDS.

**^ Fees and expenses for the last 12 months (Class A)** The total expense ratio (TER), is a measure of the actual expenses (including fees) incurred by the Class over a 12 month period. The expenses are expressed as a percentage of the average daily value of the Class during that period in order to determine the TER. Class performance is shown after taking into account expenses in the TER. Expenses may vary and the current TER should not be used as an indication of future TERs.

ALLAN GRAY

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