

Allan Gray Australia Balanced Fund

FUND FACT SHEET 31 OCTOBER 2021

ALLAN GRAY

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).

For investors who wish to balance risk whilst seeking capital growth from a diversified portfolio of shares, fixed income and commodity investments from Australia and overseas. The Fund seeks to earn long-term returns that are higher than the custom benchmark.

INVESTMENT APPROACH

In carrying out our contrarian investment approach, the Balanced Fund has significant freedom to invest in different asset classes to take advantage of the best opportunities. This means we have great flexibility and can capitalise when markets are cheap. Our target range is to have anything between 40%-90% of the Fund invested in shares and 10%-50% in fixed income, depending on where the opportunities are.

As a result, the Balanced Fund can look very different to other funds of its kind, as the investment mix is based on finding the best value. For example, when Australian shares are expensive, more of the Fund may be invested in global shares. The same applies for other asset classes and regions. The Fund may experience periods of underperformance in pursuit of its long-term objective, particularly given this exposure to local and overseas markets. The Fund has underperformed its Benchmark since launch. 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*

Fund size	AUD 114 million
Launch date	1 March 2017
Number of units on issue	91.9 million
Price (net asset value)	AUD 1.2370
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	ETL4654AU
ISIN	AU60ETL46546

FEES AND EXPENSES FOR THE LAST 12 MONTHS[^]

Base fee	0.76%
Performance fee	0.00%
Other expenses	0.02%
Total expense ratio (TER)	0.78%

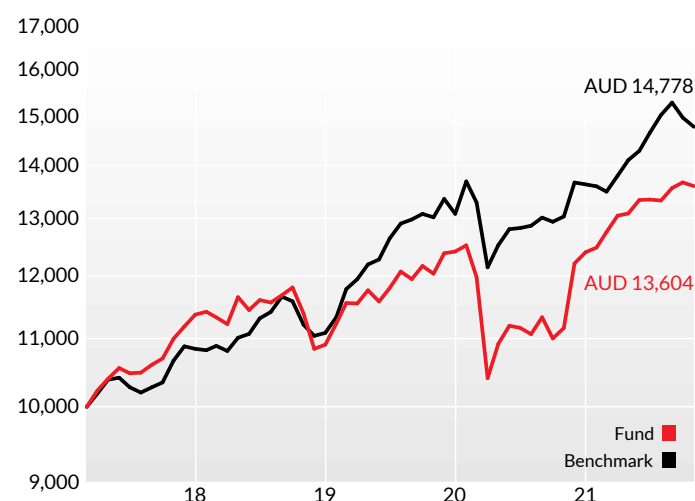
PERFORMANCE NET OF ALL FEES AND EXPENSES

	FUND	BENCHMARK	RELATIVE
Annualised %			
Since launch (1 Mar 2017)	6.8	8.7	(1.9)
3 years	6.1	9.6	(3.5)
1 year	21.9	13.3	8.6

	FUND	CALENDAR YEAR
Annualised %		
Highest	13.9	2019
Lowest	(4.1)	2018

The custom benchmark comprises the S&P/ASX 300 Accumulation Index (36%), S&P/ASX Australian Government Bond Index (24%), MSCI World Index (net dividends reinvested) expressed in AUD (24%) and JP Morgan Global Government Bond Index expressed in AUD (16%). 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 Fund each year over the given period. Actual investor performance may differ as a result of the investment date, the date of reinvestment of income distributions, and withholding tax applied to income distributions. The highest and lowest returns earned during any calendar year since the launch of the Fund are shown above to demonstrate the variability of returns. The complete return history for the Fund can be obtained by contacting our Client Services team.

Value of AUD 10,000 invested since launch



DISTRIBUTIONS

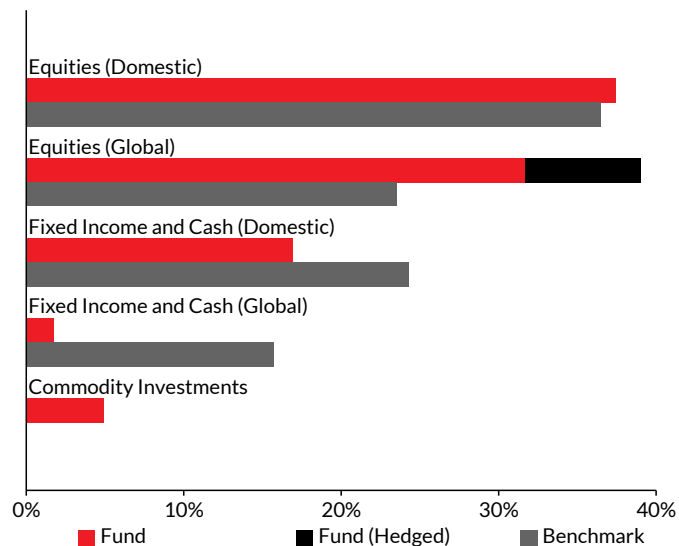
YEAR	CENTS PER UNIT	DISTRIBUTION RETURN
30 June 2021	0.5587	0.5%
30 June 2020	3.3465	3.0%
30 June 2019	3.5594	3.2%
30 June 2018	3.8373	3.6%
30 June 2017	0.5198	0.5%

TARGET ASSET ALLOCATION RANGES

ASSET TYPE	RANGE (%)	BENCHMARK (%)	
		International	Australia
Equity	40-90	24	36
Fixed Income and Cash	10-50	16	24
Commodity Investments	Up to 10	0	0

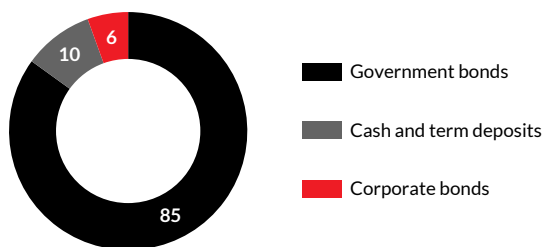
The portfolio may from time to time move outside these ranges in pursuit of the Fund’s investment objectives.

ASSET ALLOCATION



The composition of the Fund has not changed significantly over the last month.

FIXED INCOME AND CASH (%)



GEOGRAPHICAL ALLOCATION

	AUSTRALIA	EUROPE AND UK	NORTH AMERICA	ASIA	OTHER	TOTAL
Net Equity	37	14	7	9	1	69
Hedged Equity	0	1	5	1	0	7
Fixed Income and Cash	17	0	1	0	0	19
Commodity Investments						5
TOTAL	54	16	14	10	1	100

This table highlights the Fund’s exposure to regions. Net equity is calculated by taking into account the exchange-traded derivatives used to reduce market exposure. The geographical region of a security is generally based on the region allocated to that security by third-party data providers for comparability purposes. As exchange rate fluctuations can have a significant impact on returns, the Fund uses over-the-counter derivatives such as currency forwards to manage foreign exchange risk. Commodity Investments are not specifically allocated to a geographical region.

TOP FUND HOLDINGS AS AT 30 SEPTEMBER 2021

HOLDINGS	% OF FUND
Australian Gov. Bond 2.00% 21 Dec 2021	6.7
Australian Gov. Bond 0.25% 21 Nov 2024	5.7
SPDR® Gold Trust	5.0
Alumina	3.6
Australian Gov. Bond 2.25% 21 Nov 2022	3.5
Woodside Petroleum	3.4
Newcrest Mining	2.5
Samsung Electronics	2.5
QBE Insurance Group	2.4
Sims	2.0
TOTAL	37.3

Allan Gray Australia Pty Limited is the appointed investment manager of the Allan Gray Australia Balanced Fund ARSN 615 145 974. 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 5.30pm (Bermuda time) each business day, with prices determined the following day. Prices are available on www.allangray.com.au. 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 is 20% of the Fund’s outperformance, net of the base fee, in comparison to the Benchmark. It is only payable where the Fund’s outperformance exceeds the high water mark, which represents the highest level of outperformance, net of base fees, since the Fund’s inception. 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 Credits, is applicable to the base fee and the performance fee. A schedule of fees and charges is available in the Fund’s PDS. Benchmark related information is as at the date of production based on data provided by the official benchmark and/or third party data providers. There may be timing differences between the date at which data is captured and reported.

^ Fees and expenses for the last 12 months The total expense ratio (TER), is a measure of the actual expenses (including fees) incurred by the Fund over a 12 month period. The expenses are expressed as a percentage of the average daily value of the Fund during that period in order to determine the TER. Fund 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.

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