

ALLAN GRAY

CONTRARIAN INVESTING

ALLAN GRAY AUSTRALIA

THE DIFFERENCE IS IN THE WAY WE SEE THINGS



AS CONTRARIAN INVESTORS, WE DON'T RUN WITH THE PACK

When you choose Allan Gray, you are not just buying an investment, you are buying into a distinctive investment philosophy. That philosophy is simple – to take a contrarian approach, apply it consistently and invest for the long term.

As contrarian investors, we never try to guess external sentiments, the next share price movement, or trends. Instead, we scrutinise opportunities that aren't necessarily 'obvious'.

Rather than following popular opinion, we search for great buying opportunities in places others overlook or undervalue. We closely analyse investments to understand what will drive their value over the next five, ten or even 20 years.

It can take time for an investment to be revalued by the market, but patient investors know when something is worth waiting for.



This is how we've been investing in Australia for over 18 years and how the broader group has been investing globally since 1973

AN INVESTMENT APPROACH THAT MAKES ALL THE DIFFERENCE

Our long-term, contrarian approach is not shared by everyone, and it's not for everyone. But there can be great rewards for the patient investor who embraces it.

The contrarian edge

To outperform the market over the long term, we need to do things differently. As contrarians, we thrive by not following the crowd. We resist trends and uncover opportunities in areas that may have been overlooked or are undervalued. It puts us in a space where we face little competition, where an investor's greatest asset is independent thinking. This means our Funds can look markedly different to those of our peers, which helps diversify our clients' portfolios.

A long-term outlook

In a highly competitive market, there aren't many ways to give yourself an edge. In a world that's focused on short-term results, we are focused on the long term, as being patient can provide a distinct advantage. By waiting for the right opportunity to buy and giving an investment time to realise its true value, we may discover enormous potential for an undervalued investment.

Bottom-up, fundamental analysis

We are not contrarian for contrarian's sake but as the result of careful, bottom up analysis. We make our own assessments and concentrate on understanding an investment's true value and the fundamentals that drive that value, rather than trying to forecast the next short-term price movement.

A single, clear investment strategy

Because we apply the same long-term, contrarian philosophy year after year, our clients know what to expect. It's this unwavering approach that's enabled our broader group to succeed for over 50 years worldwide.

Performance-driven culture

At Allan Gray, we share a common goal to grow wealth. Everything we do – from our investment strategy to our fees – is performance driven, so we won't do well unless you do well. It's an approach designed for mutual success and the reason many of our clients stay with us for so many years.

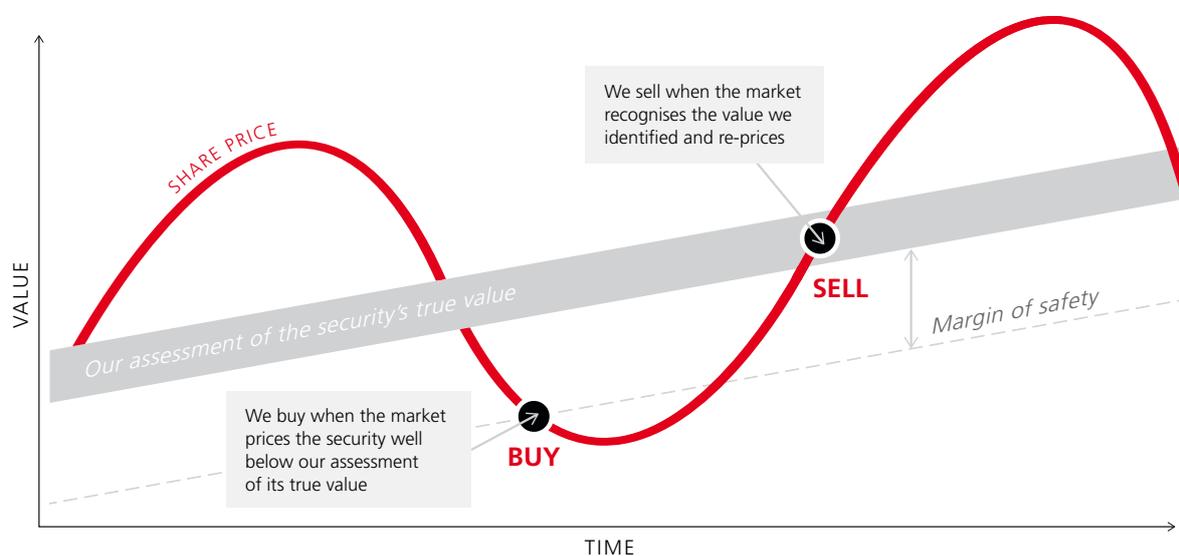
Independent thinking our investors trust

Being privately owned keeps us focused on what's best for our clients. Without external shareholders influencing our investment philosophy or business decisions, we can be truly independent and bolder in our pursuit of long-term investment opportunities.



HOW WE APPLY OUR CONTRARIAN INVESTMENT APPROACH

Through an in-depth analysis of different investments, we seek out opportunities that are overlooked and buy them at a price well below our assessment of their value. We then wait, selling them when the market realises their true value and the price has risen.



OUR HISTORY

The story of Allan Gray and its sister company Orbis over the past five decades is one of a successful contrarian approach, an emphasis on performance, and a laser focus on client service and satisfaction. These things all stem from the vision and beliefs of our founder, Dr Allan Gray. He saw investing as a way to help people, build wealth and improve lives.

Who was Allan Gray?

Dr Allan Gray, who passed away in 2019, was a pioneering investor whose unorthodox approach created an impressive legacy. Never afraid to back his own judgement, his story is not just one of success, but of altruism, humility – and an uncompromising set of values that continue to guide Allan Gray Australia today.

In 1973, after working and studying abroad, Dr Allan Gray returned home to fulfil his dream of bringing quality professional asset management to South Africa and Allan Gray Proprietary Ltd was born. In 1989, he set up Orbis to take his fundamental long-term, contrarian approach global. The Australian business was started in 2005 under the brand name Orbis, however the retail business later changed its name to Allan Gray Australia. Orbis Investments also operates in Australia, managing global funds which are distributed by Allan Gray Australia to financial advisers.

Allan Gray continues to make a difference to the world

Philanthropy has long been central to our founding family. Allan & Gill Gray Foundation was established in 2015, endowed with the controlling interests in the Allan Gray and Orbis groups of asset managers. The Foundation devotes the fruits of those interests exclusively to philanthropy.

More information on the Foundation can be found at allangray.com.au



OUR HISTORY

A worldwide presence



“My objective was to try to make a difference where I could make a difference”

Dr Allan Gray

ALLAN GRAY AUSTRALIA FUNDS

Allan Gray Australia Balanced Fund

The Fund seeks to achieve capital growth from a diversified portfolio of shares, fixed income and commodity investments from Australia and overseas.

Allan Gray Australia Stable Fund

A more conservative investment that aims to provide long-term returns that exceeds the RBA cash rate, with less volatility than the Australian sharemarket by blending cash with selected Australian shares.

Allan Gray Australia Equity Fund

An actively managed, contrarian fund that seeks to outperform the market over the long term by investing in select Australian shares.

HOW THE FUND INVESTS FOR YOU

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.

HOW THE FUND INVESTS FOR YOU

The Allan Gray Australia Stable Fund starts with at least 50% of its portfolio invested in cash and money market instruments. The remainder is invested in carefully selected Australian shares when the opportunity arises. It aims to outperform cash over the long term but with less volatility than the sharemarket.

Using the same contrarian philosophy as all our Funds, the Stable Fund buys shares when they are undervalued and therefore a good opportunity, with the aim of benefiting when their value is recognised.

HOW THE FUND INVESTS FOR YOU

The Equity Fund is an actively managed fund that aims to create wealth by buying Australian shares that we consider to be undervalued with a view to profiting when the price rises. Constant monitoring allows the investment mix to be adjusted to maximise opportunities as they arise. Because we choose shares that are often overlooked or undervalued by other investors, the Fund looks very different to other Australian equity funds and can be an effective way to diversify your portfolio.

You can choose from two unit classes, each with its own fee structure: Class A, with a base fee and performance fee, and Class B, with no base fee but a higher performance fee based on the returns you make.

For more information about the Funds including the benefits and risks of investing, please visit allangray.com.au and read the Product Disclosure Statement together with the Target Market Determination. You can also find our fact sheets and further information on our investment process and performance. You can also contact our client services team on 1300 604 604 or clientservices@allangray.com.au



ORBIS GLOBAL PARTNERSHIP



Orbis Global Funds

Allan Gray Australia and Orbis Investments are privately-owned, sister companies. Both were founded by Dr Allan Gray and share the same long-term, contrarian investment philosophy. Allan Gray Australia in partnership with Orbis Investments brings the Orbis Global Funds to the retail financial advice industry.



Orbis Global Equity Fund

Suitable for patient long term investors seeking a contrarian investment style and access to undervalued global opportunities.



Orbis Global Equity LE Fund

Suitable for patient long term investors seeking a contrarian investment style and access to undervalued global opportunities, with no exposure to tobacco or companies involved in the production of controversial weapons.

HOW THE FUND INVESTS FOR YOU

The Orbis Global Equity Fund offers access to an active and concentrated portfolio of high conviction global stocks. It applies a contrarian long-term approach to find undervalued opportunities others miss, resulting in a portfolio that looks very different from the benchmark.

HOW THE FUND INVESTS FOR YOU

The Orbis Global Equity LE Fund ('LE' meaning 'Limited Exclusions') mirrors the flagship Global Equity Fund in every way but is precluded from investing in tobacco companies or companies that are involved in the production of controversial weapons.

The Fund offers access to an active and concentrated portfolio of high conviction global stocks. It applies a contrarian long-term approach to find undervalued opportunities others miss, resulting in a portfolio that looks very different from the benchmark.

INVEST WITH US

Our distinctive take on investing means that each of our Funds brings something different to portfolios. You can access our Funds in several ways:

Direct investment

To invest directly, simply go to allangray.com.au and follow our simple online process or call our client services team if you require assistance.

Invest via an mFund

Many investors are enjoying the convenience of using mFunds to buy, hold and sell units in managed funds through a process similar to buying and selling shares on the Australian Stock Exchange.

Invest via your preferred platform

Our Funds are available on many leading superannuation and retirement platforms. For availability, please check with your preferred provider or contact our client services team.

For your references the mFund and APIR codes are listed below:

mFund code	Fund name	APIR code
AQY01	Allan Gray Australia Equity Fund (Class A)	ETL0060AU
AQY02	Allan Gray Australia Stable Fund	ETL0273AU
AQY03	Allan Gray Australia Balanced Fund	ETL4654AU
ORB01	Orbis Global Equity Fund	ETL0463AU
ORB03	Orbis Global Equity LE Fund	ETL3523AU

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Stay in touch with the latest investment news and information at allangray.com.au, where you'll find insights and updates from our team, Fund fact sheets and our Quarterly Commentary. To receive regular updates, please sign up for our monthly newsletter at our website.

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