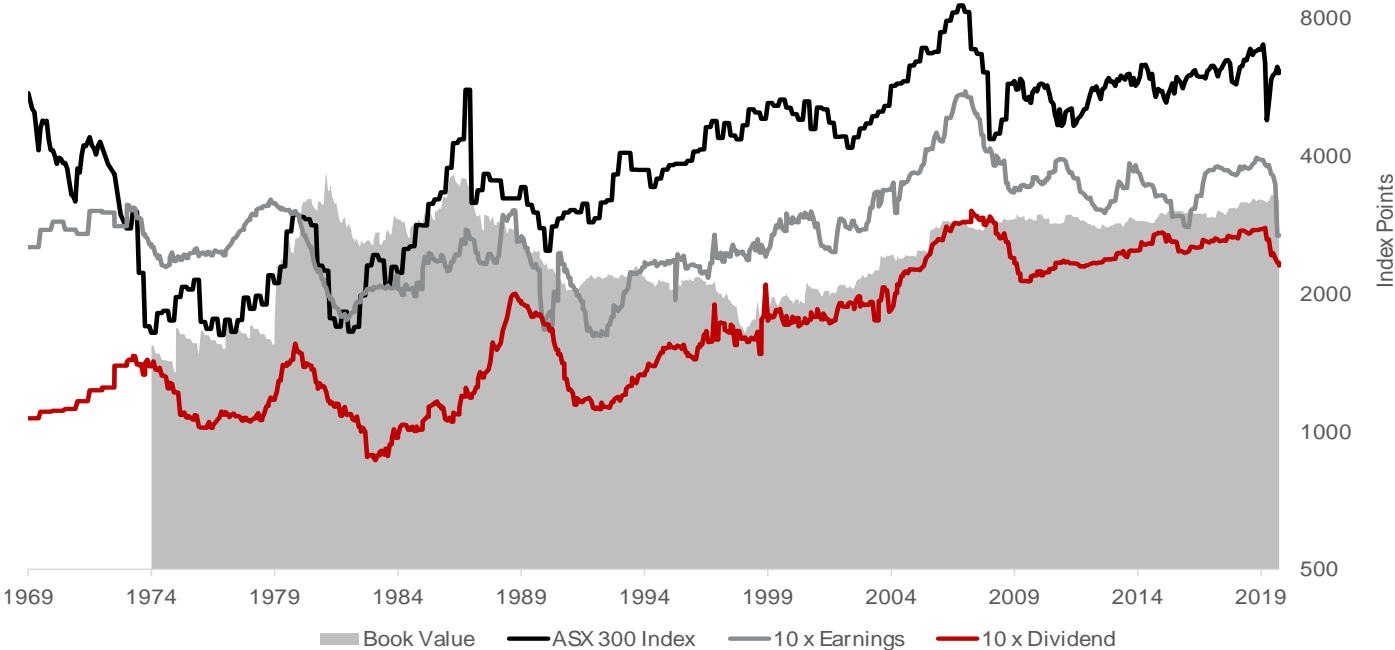




CONTRARIAN INVESTING

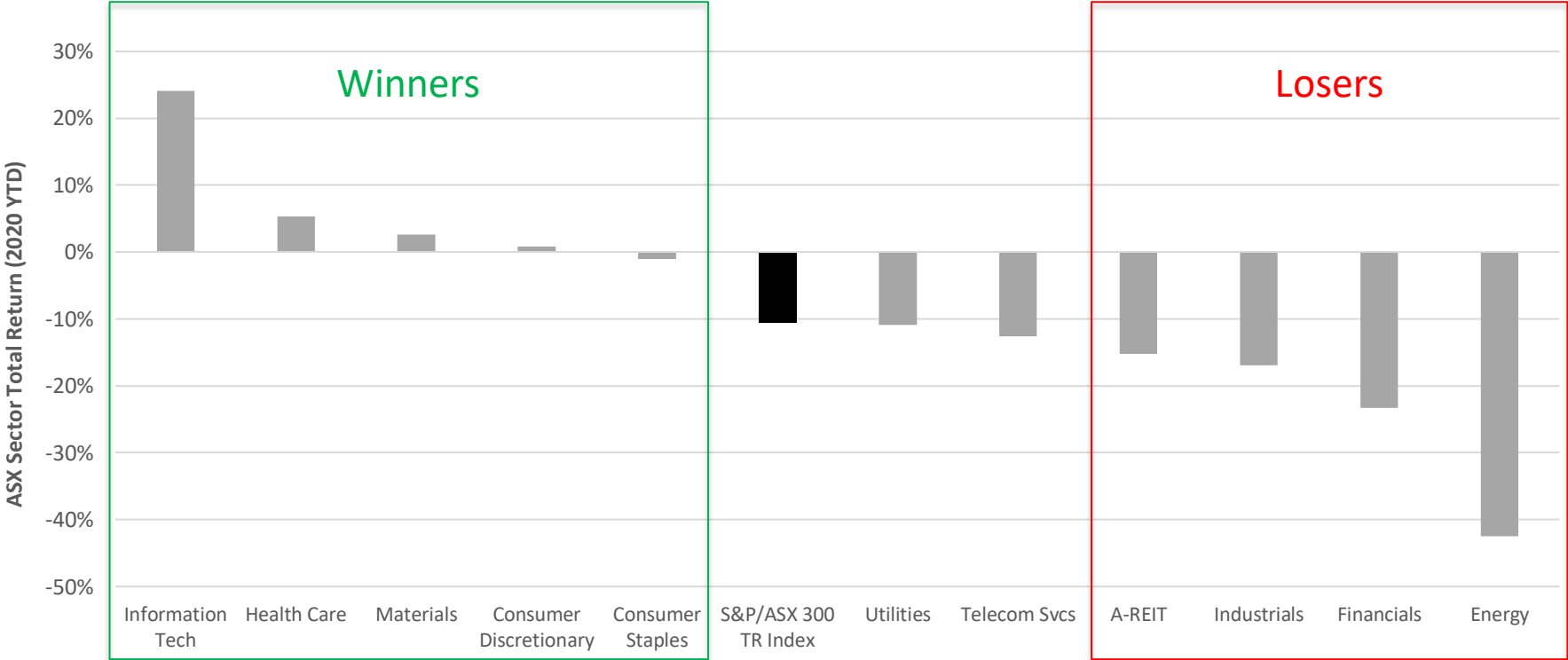
ALLAN GRAY

AUSTRALIAN MARKET – DIVERGING FROM FUNDAMENTALS



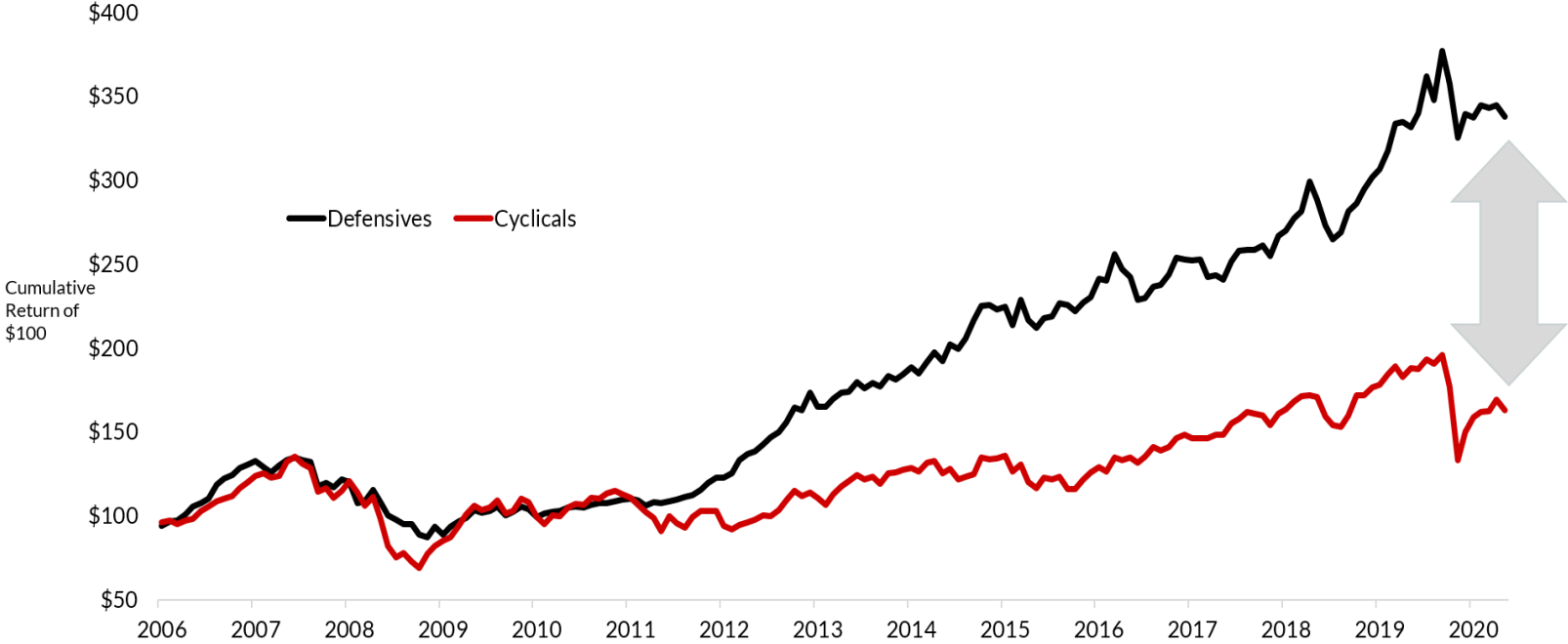
Source: Datastream, Allan Gray Australia, as at 30 September 2020.

AUSTRALIAN SECTOR RETURNS – 2020 YTD



Source: Morningstar Direct as at 30 September 2020.

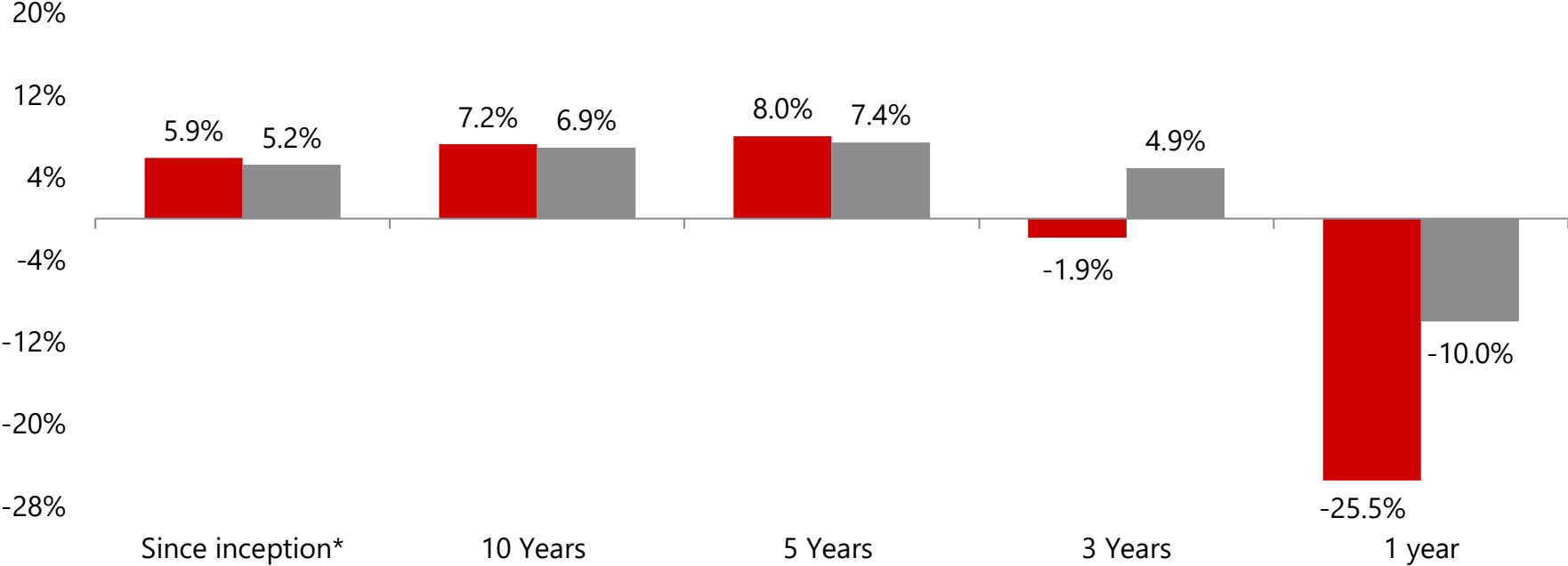
A WIDENING GAP BETWEEN CYCLICALS AND DEFENSIVES



Source: Morningstar Direct and Allan Gray Australia, as at 30 September 2020. Defensives refer to the Consumer Staples, Health Care, Communication Services, Utilities, and A-REITS sectors. Cyclicals refers to the Energy, Materials, Industrials, Consumer Discretionary, and Financials x-REITS sectors.

ALLAN GRAY AUSTRALIA EQUITY FUND PERFORMANCE

■ Allan Gray Australia Equity ■ S&P/ASX 300 Accumulation Index



Source: Allan Gray Australia Equity Fund Class A as at 30 September 2020. *Inception of Fund is 4th May 2006.

THE PORTFOLIO IS VERY DIFFERENT FROM THE MARKET

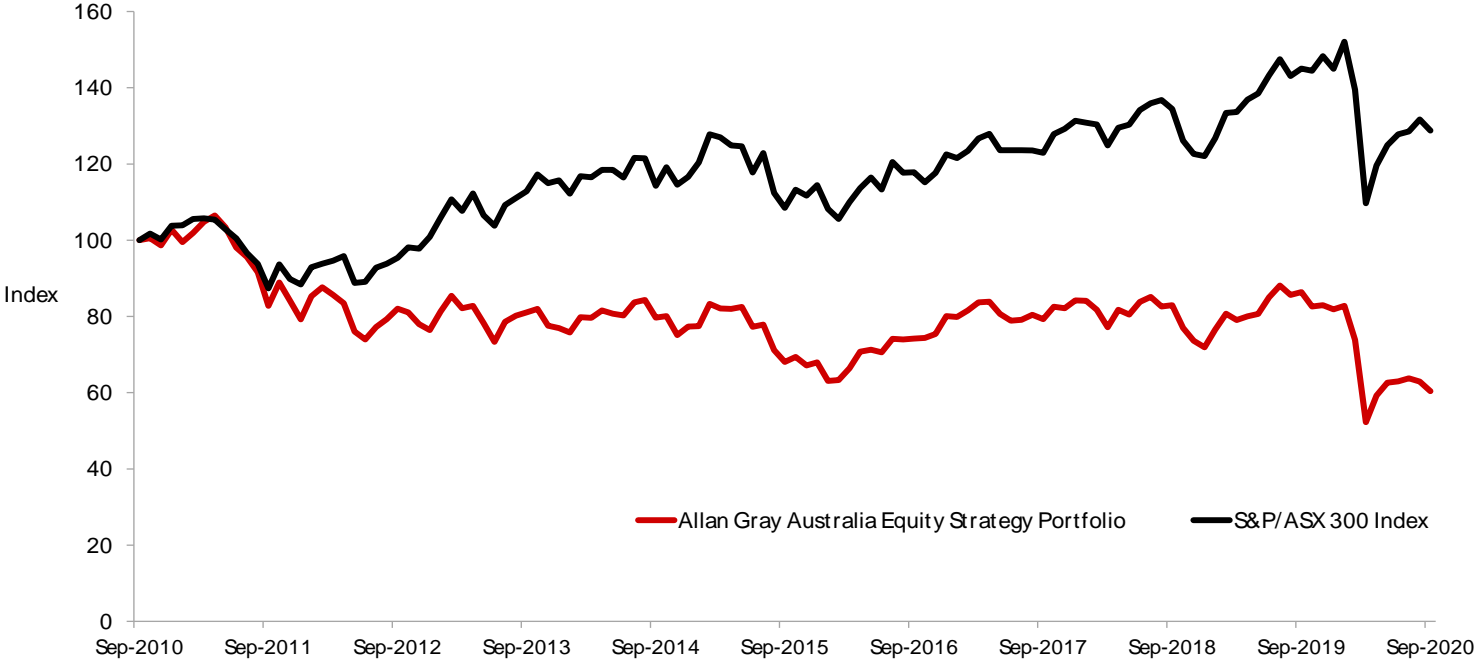
EARNINGS AND VALUATION METRICS*

P/E multiple	2019(A)	2020(F)	2021(F)	2022(F)	2023(F)
S&P/ASX 300 Index	16.6x	21.4x	17.9x	16.2x	15.1x
Equity Strategy portfolio	12.4x	27.3x	16.5x	12.8x	11.1x
Indexed earnings (indexed to 100 in 2019)					
S&P/ASX 300 Index	100	78	93	102	110
Equity Strategy portfolio	100	46	76	97	112

(A) = Actual; (F) = Forecast*

Source: Factset, Allan Gray, as at 30 September 2020. *The table shows consensus price to earnings (P/E) forecasts for both the Allan Gray Australia Equity portfolio and the S&P/ASX 300 Index for 2020 through to 2023, as well as actual earnings multiples for 2019.

TODAY'S PORTFOLIO BACKDATED TEN YEARS



Source: Allan Gray Australia & Factset as at October 2020

STOCK EXAMPLE - ALUMINA



Bauxite



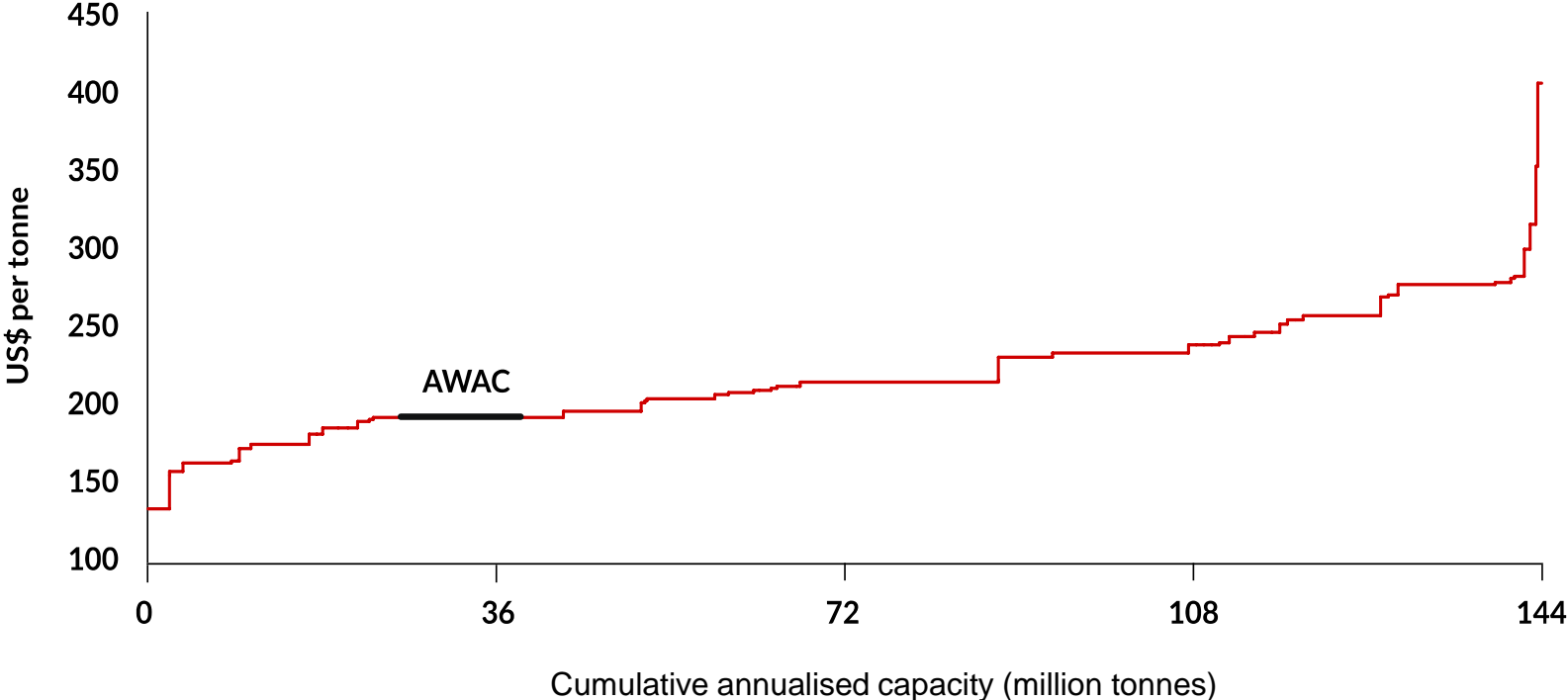
Alumina



Aluminium

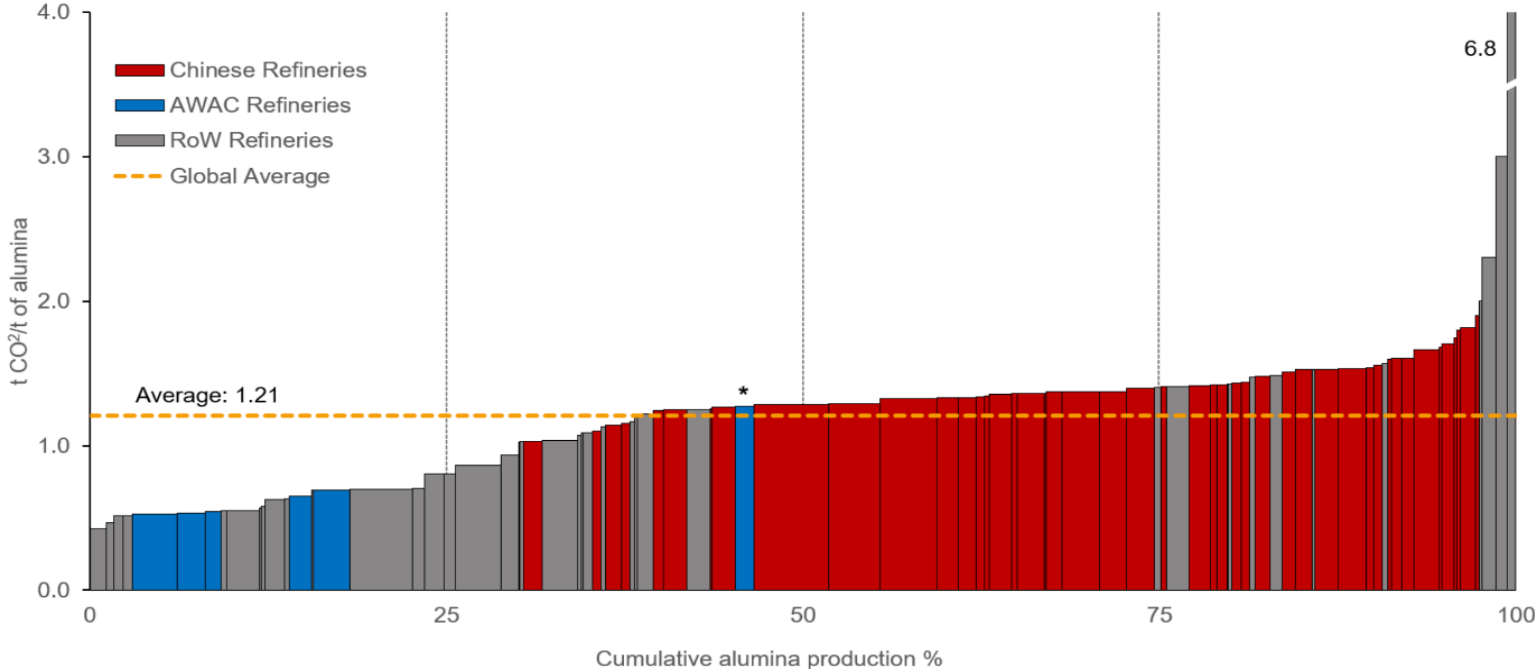


ALUMINA IS LOW ON THE COST CURVE



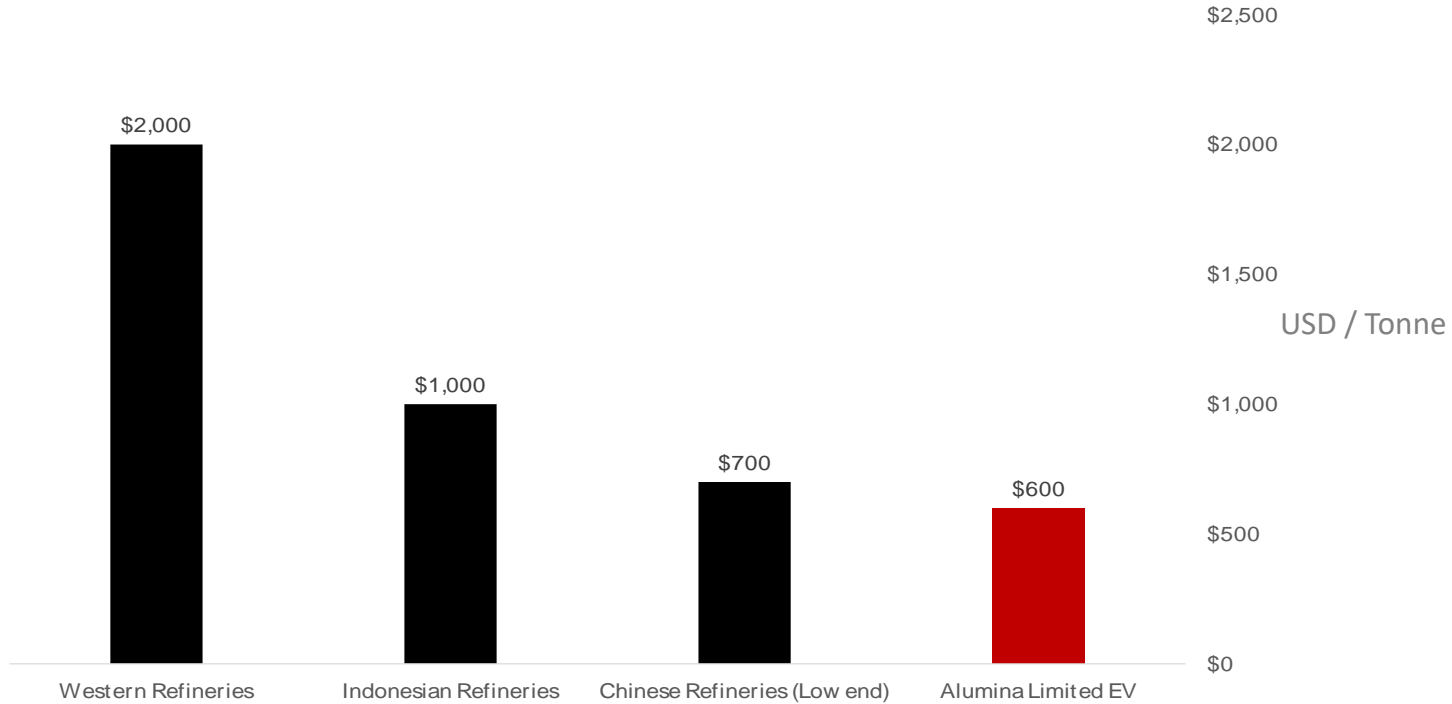
Source: Global alumina refining cash cost curve, half year to June 2020. Harbor, September 2020

ALUMINA'S EMISSION INTENSITY



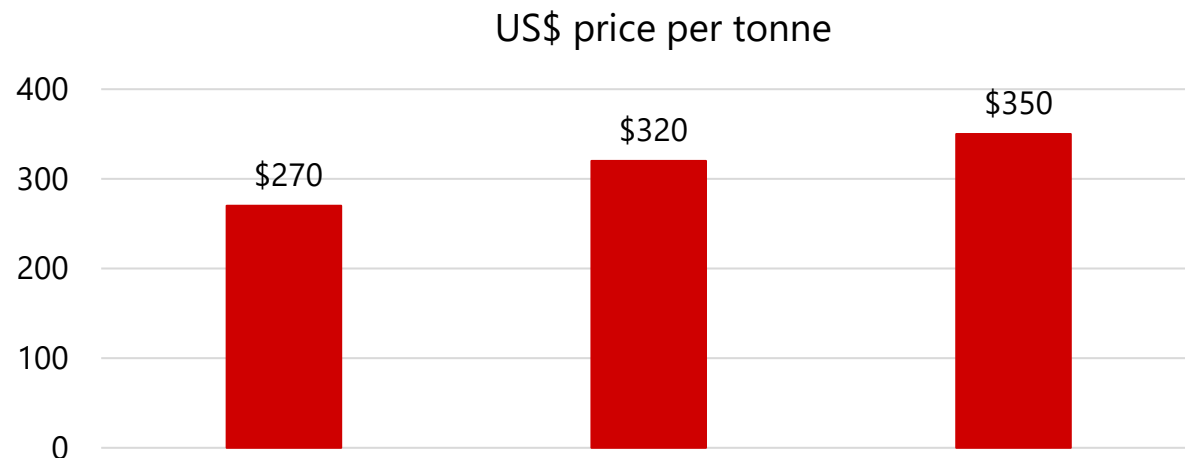
Source: CRU, August 2020. *Not operated by Alcoa

REPLACEMENT COST OF NEW ALUMINA CAPACITY



Source: Allan Gray Australia

ALUMINA LTD - FUNDAMENTALS



	Current	Base Case	Upside Case
% of World Production Profitable	70%	90%	100%
Price/Earnings for AWC	22x	9.4x	7x

Source: Allan Gray Australia, from latest company reports and own fundamental analysis.

SUMMARY

There is significant share price dislocation between winners and losers

We remain focused on fundamental valuation driven capital allocation

Relative value opportunity in the portfolio is the greatest since our inception

ALLAN GRAY AUSTRALIA EQUITY FUND TOP TEN HOLDINGS

Top Ten Companies at Month End Allan Gray Australia Equity Fund (%)	12 months ago	6 months ago	3 months ago	1 month ago	Sep 2020
Newcrest Mining	7.5	9.7	9.8	9.0	9.4
Woodside Petroleum	8.9	7.5	7.9	7.7	7.7
Alumina	7.0	7.4	6.9	7.1	7.1
QBE Insurance Group	6.6	5.6	6.0	7.3	6.4
National Australia Bank	6.1	5.8	5.7	5.5	5.7
Metcash	5.0	7.3	5.1	5.5	5.5
Sims	5.0	4.6	4.8	4.9	4.9
AMP	4.8	5.9	6.6	5.5	4.9
Australia and New Zealand Banking Group	*	5.0	4.9	4.7	4.7
Oil Search	4.6	*	4.6	4.5	4.3
Origin Energy	5.5	3.6	*	*	*
Total	61.1	62.5	62.1	61.8	60.5

Source: Allan Gray Australia as at 30 September 2020. * Denotes stocks that are in the portfolio (but outside of the top 10) that are a position size greater than 1%.

About this presentation

Objective of presentation	To provide you with some key high level information about Allan Gray, their investment philosophy and the following Funds: (i) the Allan Gray Australia Equity Fund
	Please don't take this presentation as an offer to sell or a recommendation that you should invest in any Fund. Before making an investment decision, please read the relevant Fund's Product Disclosure Statement and Information Booklet (together PDS). The PDS is available from www.allangray.com.au or www.orbis.com free of charge.
Issuer of units	Equity Trustees Limited, AFSL No. 240975
Investment Manager	Allan Gray Australia Pty Ltd, AFSL No. 298487
No personal advice	This presentation only provides general information or advice. It does not take into account any investor's personal financial circumstances, objectives or needs. Please read Allan Gray's Financial Services Guide if you are interested in the benefits Allan Gray entity is entitled to receive as an AFS licensee. The FSG is available from their website.
Risks	There are risks with any investment, including one in the Funds. Please read the risk section of the relevant PDS for more details.
Performance information	Past performance is not a reliable indicator of future performance and the value of any investment in the Funds is not guaranteed.
Economic, market, index or stock commentary	Such information is provided to indicate reasons for our investment decisions or represents our views on certain matters and based on certain assumptions and proprietary analysis. It is not intended to be personal financial advice. You should not rely on our commentary to make any investment decision. This is because our views can and do change over time, or may turn out to be incorrect.
Other	Finally, please seek professional advice, if necessary. We have tried to ensure the information in this presentation is accurate in all material respects but cannot provide any guarantee that it is.