

Orbis Emerging Markets Equity

Emerging market (EM) shares are out of favour and, if history is a guide, that potentially bodes well for future returns. But it reflects a dreary past. In price terms, the MSCI EM Index has returned nothing in US dollars since its previous peak about 15 years ago. Over the same years, the global shares in the MSCI World Index have nearly doubled. As a result, EM shares have given back all of their outperformance from mid-2003 to 2007, and now stand at more-than-18-year relative lows.

US shares have led this rise in global stockmarkets and did so again in 2021. Credit where it is due, US shares have delivered better fundamental results than those elsewhere. Yet in our view, the gap in returns primarily reflects a wider divergence in liquidity and sentiment. Many beloved US shares look expensive to us, and scores of overlooked EM shares appear discounted.

We welcome the divergence in valuations within equities—because on the surface, the outlook for real returns seems pedestrian to us across most asset classes. EM equities look different. A useful yardstick here is the cyclically-adjusted price-to-earnings ratio, or CAPE, which looks at a company's earnings over a full economic cycle after accounting for inflation. At the market level, the CAPE ratio has historically been a reliable predictor of future long-term returns. Today, EM shares trade on a CAPE of 15, versus close to 40 for the US market. Moreover, the valuations of EM shares appear very reasonable versus their own history, whilst those in the US are near record extremes.

That EMs look attractive on a long-term valuation measure suggests they may be fertile hunting grounds for contrarian investors like us. But if we are hunting, it is the specific opportunities we care about, not the broader ground. Accordingly, our perspective is bottom-up, and the best way to understand the portfolio is to talk through individual companies.

In the following sections, we describe many of the ideas we've found compelling in China and Korea—two of the largest markets in EMs—as well as some recent purchases in other regions.

China

At first glance, Chinese companies often trade at low price multiples, but many don't meet our investment criteria. Common reasons for rejection include poor fundamentals, such as low returns on capital, excessive debt or uninspiring long-term prospects, and corporate governance concerns.

Yet we have managed to build conviction in a handful of attractive China-focused ideas. The three largest positions—including **NetEase**, **Youdao**, and South Africa-listed **Naspers**, whose key asset is a stake in Tencent—account for 20% of the portfolio. We remain enthusiastic owners of all three.

As described in last quarter's commentary, our preferred Chinese shares offer above-average opportunity but also bring risk, with the past few months being a painful reminder of the latter. We have long been mindful of regulatory risks in China, but we were somewhat surprised by both the severity of the recent changes and the rather opaque rulemaking process that led to them. This has resulted in us concluding that the prospective risks have increased, and individual companies therefore require a higher risk premium. That said, we believe both NetEase and Tencent can navigate these uncharted waters better than many of their peers, so while some of their business units will need to adapt, the companies could actually emerge with stronger competitive positions in the long term.

Importantly, our assessments of intrinsic value have not budged materially. NetEase trades at about 18 times our estimate of its core gaming earnings for 2022, if we adjust for the value of its incubated businesses and cash. We think this is a very reasonable multiple in light of its bright future growth prospects. Similarly, shares in Naspers currently trade at around a 60% discount to the value of its underlying assets. Applying this discount to the Tencent share price implies a "look-through" valuation of about 11 times earnings—a compelling way to get exposure to a company with strong cash flow generation and rapid growth potential. We feel the portfolio's Chinese shares are attractively priced, but we temper our enthusiasm with a sober assessment of the potential risks.

Orbis EM Equity also has exposure to China through its position in **Jardine Matheson Holdings**, one of Asia's biggest and best-run conglomerates. Alongside many other excellent assets, Jardine Matheson owns a controlling stake in **Hongkong Land Holdings**, a property landlord and developer in Greater China and South East Asia that owns the most prestigious office and retail properties in Hong Kong.

Orbis Emerging Markets Equity (*continued*)

Recent scepticism about Hong Kong's future as the premier international financial centre for China has panicked some investors. Uncertainty exists, but in our view Jardine's low valuation reflects expectations that are probably excessively pessimistic. Indeed, this gave us the opportunity to establish a direct position in Hongkong Land at a valuation of around 10 times its 2022 earnings and a dividend yield of close to 5%.

Korea

Around 20% of Orbis EM Equity is invested in Korean shares. In previous commentaries we have discussed **Kiwoom Securities** (owned both directly and via **Daou Technology** and **Daou Data**, whose underlying stakes in Kiwoom make up the vast majority of their intrinsic value) and **Hyundai Elevator**. We continue to hold these positions in the belief that their share prices do not nearly reflect the strength of the underlying business fundamentals.

In recent months, we have added to Orbis EM Equity's position in **Samsung Electronics**, the global technology giant with a top-tier position in both consumer products (mobile devices and home appliances) and business components (semiconductors and display panels). Samsung's share price fell in the second half of this year due to concerns about a cyclical downturn in its memory semiconductor segment. However, as a long-term investor, we are more focused on the potential for its recent investments in this division to enhance its technology leadership. For instance, the company recently adopted a DRAM manufacturing process based on extreme ultraviolet (EUV) technology that has the potential to widen its lead in product development and cost competitiveness.

In addition, while still at a relatively early stage, the prospects for its foundry business appear promising, with Samsung Electronics and Taiwan Semiconductor Manufacturing Company the only two competing players with cutting-edge technology. Although Samsung's foundry business is only a small part of its revenues and profits today, the unit's potential is large. Meanwhile, the company's other businesses have proven they can maintain their competitiveness with product differentiation. Examples here include its foldable phones, OLED display panels, and high-quality appliances.

Lastly, the company's large cash balance (20% of its current market cap) may be used to improve returns for shareholders through dividends, share buybacks and acquisitions. In our view, short-term concerns have provided a good long-term buying opportunity. Shares in Samsung Electronics currently trade at around 10 times our estimate of its 2022 earnings, after adjusting for its net cash balance, despite having generated a very healthy 20% long-term return on invested capital.

Orbis EM Equity also owns a position in **Samsung Fire & Marine Insurance (Samsung F&M)**, an insurer of auto, commercial and long-term healthcare products with industry-leading underwriting capabilities and capital strength. After rebounding from depressed levels this year, we expect the company's underwriting results to continue to improve, driven by appropriate adjustments to premiums and tighter control of claims payments and other expenses. Its shares trade at 8 times our estimate of 2022 earnings and a 6% dividend yield. Furthermore, changes to accounting standards and capital requirements for Korean insurers that are due to take place in 2023 should not only highlight Samsung F&M's superior financial performance and balance sheet strength by improving comparability to global peers, but may also significantly boost reported earnings.

Elsewhere in EM

Outside China and Korea, we have recently initiated new positions in Turkey (**Koç Holding**) and Brazil (**Itaú Unibanco Holding**, **Itaúsa** and **Sul América**), and have built a significant position in the Philippines (**Ayala**) in the past couple of years. In aggregate, these five stocks represent close to 10% of Orbis EM Equity.

The common thread across all of these investments is that they operate in challenging political and economic environments, and the associated fear has driven down valuations to a level which we believe overlooks their long-term potential. While we remain aware of these challenges, we draw comfort that the stewards behind all of these family-controlled businesses have a credible long-term historical track record of withstanding such turbulence and emerging stronger. They remain conservatively financed and ongoing share repurchases by several of these companies suggest that their savvy management teams consider this a good way to deploy capital at prevailing share prices. Koç and Ayala are particularly good examples.

Koç is the largest corporate group in Turkey, whose recent economic woes have put the country into the headlines. As a conglomerate that accounts for around 6% of the country's gross domestic product, Koç has market-leading positions in the energy, automotive, consumer durables and financial services sectors. We

Orbis Emerging Markets Equity (*continued*)

are acutely aware of the exchange rate risk that comes with any investment in Turkey, but draw comfort from the fact that around 50% of the company's revenues come from its US dollar denominated export businesses that actually stand to benefit from depreciation of the Turkish Lira. We think this and the company's other favourable characteristics are not appropriately reflected in its valuation of around 9 times our estimate of its 2022 earnings. The family's conviction to continue to invest behind its existing businesses and to take advantage of the current downturn is a positive sign.

Like Koç, Ayala is a dominant enterprise in its home market, the Philippines. However, the investment case for Ayala rests on its ability to capitalise on emerging business opportunities. We remain excited by the company's recent move to shift its utilities business entirely towards renewables, where it may emerge as the leading player in the South East Asian market. At the same time, it has also captured the shift in financial services to digital channels through its market-leading payments platform and banking businesses. While it's still early days for Ayala's recent foray into healthcare and domestic logistics, these could be sizable pillars within the conglomerate over the next decade. Ayala currently trades at around 15 times our estimate of its cyclically-depressed 2022 earnings.

Putting it all together

Positions in the 16 stocks in bold above make up around 60% of the portfolio. As shown in the table below, the portfolio trades at lower aggregate valuations (lower multiples of earnings and book value, and a higher dividend yield) than the MSCI EM Index, despite broadly similar fundamentals (return on equity, revenue growth and balance sheet quality). In other words, we are getting shares at a discount without sacrificing quality. The same is true of EM shares relative to their global peers.

Our shares trade at a discount to EM and world markets

Metrics for Orbis EM Equity, MSCI EM and MSCI World indices

	Price / earnings (trailing)	Dividend yield (trailing)	Price / net asset value	Return on average equity*	Revenue growth**	Net debt / equity†
Orbis EM Equity	15	2.8%	1.4	16%	8%	-2%
MSCI EM Index	19	1.5%	2.9	17%	11%	-13%
MSCI World Index	31	1.1%	6.7	16%	8%	30%

Source: Worldscope, Orbis. In each case, numbers are calculated first at the stock level and then aggregated using a weighted median. *Last 10 years. †Non-financial companies.

Prolonged periods of underperformance, such as those recently experienced by EM investors and our own clients, can shake investor confidence. Yet it is the nature of investing that the best opportunities for true long-term investors exist precisely because of an absence of confidence. Regions and styles that enjoy buoyant investor confidence tend to have rich valuations reflecting their many admirers, whereas those that have shaken investor confidence are often available at bargains for those with the fortitude to own them.

EM investing is not for the faint-hearted. It requires patience to navigate the risks, and the widely varying quality of the businesses demands a bottom-up approach. The fact that both our approach and EM shares have been rather scorned over the past 15 years makes us much more optimistic that investors' patience will be rewarded over the next 15.

Commentary contributed by Stefan Magnusson, Stanley Lu, Woojin Choi and Saurav Das, Orbis Investment Management (Hong Kong) Limited, Hong Kong.

This report does not constitute a recommendation to buy, sell or hold any interests, shares or other securities in the companies mentioned in it nor does it constitute financial advice.

Orbis SICAV Emerging Markets Equity Fund

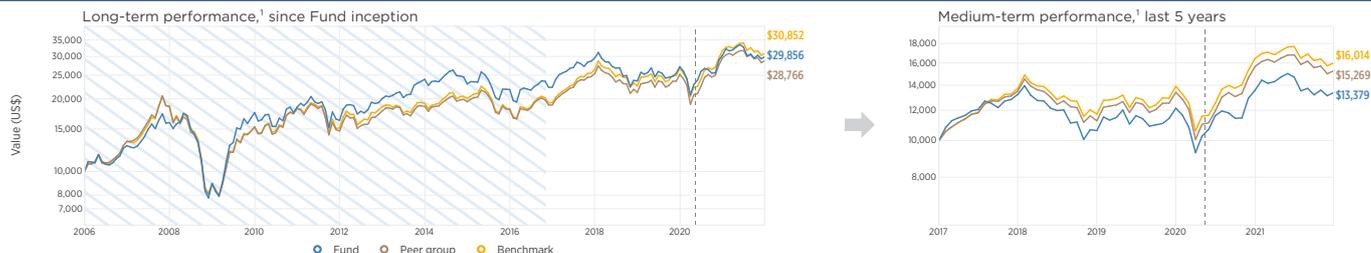
Shared Investor Refundable Reserve Fee Share Class (A) ("Shared Investor RRF Class (A)")

The Fund seeks higher returns than the average of the equity markets of the world's emerging market countries, without greater risk of loss. The performance fee benchmark ("Benchmark") of the Class is the MSCI Emerging Markets Index, including income, net of withholding taxes ("MSCI Emerging Markets Index"). Currency exposure is managed relative to that of the MSCI Emerging Markets Index.

Price	US\$28.19	Benchmark	MSCI Emerging Markets Index
Pricing currency	US dollars	Peer group	Average Global Emerging Markets Equity Fund Index
Domicile	Luxembourg	Fund size	US\$2.6 billion
Type	SICAV	Fund inception	1 January 2006
Minimum investment	US\$50,000	Strategy size	US\$2.7 billion
Dealing	Weekly (<i>Thursdays</i>)	Strategy inception	1 January 2016
Entry/exit fees	None	Class inception	14 May 2020
ISIN	LU2122430353		
UCITS compliant	Yes		

For an initial period of time,* the Shared Investor RRF Class (A) is charging the fee of the Investor Share Class, reduced by 0.3% per annum.† Numerous investors have switched to the Shared Investor RRF Class (A) from the Investor Share Class. This temporary measure will ensure that the fees paid by investors account for underperformance experienced by the Investor Share Class before the inception date of the Shared Investor RRF Class (A). Information for the period before the inception of the Shared Investor RRF Class (A) on 14 May 2020 (date indicated by dashed line below) relates to the Investor Share Class.

Growth of US\$10,000 investment, net of fees, dividends reinvested



On 1 November 2016, the Fund broadened its investment strategy from Asia ex-Japan equities to Emerging Market equities. Prior to this date, the Fund was named the Orbis SICAV Asia ex-Japan Equity Fund, its Benchmark was the MSCI All Country Asia ex Japan (Net) (US\$) Index, and its peer group was the Average Asia ex-Japan Equity Fund Index. Data for the period before 1 November 2016 relates to the Fund, and applicable Benchmark and peer group, prior to the change in strategy (as demonstrated in the striped area of the above charts). The performance achieved during this period was in circumstances that no longer apply. Please refer to the Fund's prospectus for further details.

Returns¹ (%)

	Fund	Peer group	Benchmark
Annualised		<i>Net</i>	<i>Gross</i>
Since Fund inception	7.1	6.8	7.3
15 years	5.8	5.3	5.8
10 years	6.3	6.9	7.4
5 years	6.0	8.8	9.9
3 years	8.0	10.6	10.9
	Class	Peer group	Benchmark
Since Class inception	16.6	24.1	23.9
1 year	(1.3)	(2.4)	(2.5)
Not annualised			
3 months	1.5	(1.8)	(1.3)
1 month	2.0		1.9

Geographical & Currency Allocation (%)

Region	Equity	Currency	Benchmark
China/Hong Kong	24	24	32
Korea	22	22	13
Europe and Middle East	13	13	11
Africa	12	13	3
Rest of Asia	10	10	5
Taiwan	8	8	16
Latin America	6	6	7
India	0	0	12
Other	3	3	0
<i>Net Current Assets</i>	<i>1</i>	<i>0</i>	<i>0</i>
Total	100	100	100

Top 10 Holdings

	MSCI Sector	%
Naspers	Consumer Discretionary	9.8
NetEase	Communication Services	8.4
British American Tobacco	Consumer Staples	8.2
Kiwoom Securities	Financials	6.6
Jardine Matheson Holdings	Industrials	6.3
Samsung Electronics	Information Technology	4.8
Taiwan Semiconductor Mfg.	Information Technology	3.9
Ayala	Industrials	3.4
Largan Precision	Information Technology	3.3
Sberbank of Russia	Financials	3.2
Total		57.9

Risk Measures,¹ since Fund inception

	Fund	Peer group	Benchmark
Historic maximum drawdown (%)	55	61	62
Months to recovery	20	82	81
Annualised monthly volatility (%)	21.6	20.2	20.5
Beta vs Benchmark	1.0	1.0	1.0
Tracking error vs Benchmark (%)	7.6	2.2	0.0

Fees & Expenses (%), for last 12 months

Ongoing charges	1.32
<i>Fixed management fee²</i>	<i>1.20</i>
<i>Fund expenses</i>	<i>0.12</i>
Performance related management fee ²	(0.28)
Total Expense Ratio (TER)	1.04

The average management fee* charged by the Investor Share Class is 1.21% per annum.

*The Shared Investor RRF Class (A) will continue to charge the fee of the Investor Share Class, reduced by 0.3% per annum,† until the earlier of the first dealing day (a) on or after 14 May 2023, or (b) on which the average management fee charged by the Investor Share Class equals or exceeds 1.5% per annum of the Investor Share Class' net assets for the period ending on that dealing day and beginning on the later of (i) 12 months prior to that dealing day, or (ii) 14 May 2020. Please refer to the Fund's prospectus for more details.
 † This 0.3% per annum reduction is provided because investors in the Shared Investor RRF Class (A) are subject to an additional administrative fee, as they separately agree with Allan Gray Proprietary Limited (or one of its affiliates) from time to time.

Past performance is not a reliable indicator of future results. Orbis Fund share prices fluctuate and are not guaranteed. Returns may decrease or increase as a result of currency fluctuations. When making an investment in the Funds, an investor's capital is at risk. See Notices for important information about this Fact Sheet.

¹ Fund data for the period before 14 May 2020 relates to the Investor Share Class. Orbis SICAV Asia ex-Japan Equity Fund and its corresponding Benchmark and peer group data used for the period before 1 November 2016.

² Full management fee consists of 1.5% per annum ± up to 1%, based on 3 year rolling outperformance/(underperformance) vs Benchmark. Beginning 14 May 2020, for its application to the Shared Investor RRF Class (A), this fee is reduced by 0.3% per annum.†

Orbis SICAV Emerging Markets Equity Fund

Shared Investor Refundable Reserve Fee Share Class (A) (“Shared Investor RRF Class (A)”)

This Fact Sheet is a Minimum Disclosure Document and a monthly General Investor Report as required by the South African Financial Sector Conduct Authority.

Manager	Orbis Investment Management (Luxembourg) S.A.
Investment Manager	Orbis Investment Management Limited
Fund Inception date	1 January 2006
Class Inception date (Shared Investor RRF Class (A))	14 May 2020
Number of shares (Shared Investor RRF Class (A))	1,355,413
Income distributions during the last 12 months	None

Fund Objective and Benchmark

The Fund seeks higher returns than the average of the equity stock markets of the world's emerging market countries, without greater risk of loss. The MSCI Emerging Markets Index, including income, net of withholding taxes, is the Fund's benchmark (the “MSCI Emerging Markets Index”).

How We Aim to Achieve the Fund's Objective/Adherence to Objective

The Fund is actively managed and is designed to be exposed to all of the risks and rewards of selected Emerging Market equities. The Fund expects to be not less than 90% invested in Emerging Market equity and equity-linked investments. The Fund identifies Emerging Market equity and equity-linked investments as those investments that are issued by a corporate body or other entity domiciled or primarily located in a country represented in the MSCI Emerging Markets Index or the MSCI Frontier Markets Index (together, “Emerging Markets”), traded or listed on an exchange in an Emerging Market or issued by a corporate body or other entity whose business is significantly linked to Emerging Markets. These equities are selected using extensive proprietary investment research. Orbis devotes a substantial proportion of its business efforts to detailed “bottom up” investment research conducted with a long-term perspective, believing that such research makes superior long-term performance attainable. The lower the price of a share as compared to its assessed intrinsic value, the more attractive Orbis considers the equity's fundamental value. The Investment Manager believes that over the long term, equity investing based on this approach offers superior returns and reduces the risk of loss. The Fund may, to the extent permitted by its investment restrictions, also periodically hold cash and cash equivalents when the Investment Manager considers this to be consistent with the Fund's investment objective.

Exchange rate fluctuations significantly influence global investment returns. For this reason, part of Orbis' research effort is devoted to forecasting currency trends. Taking into account these expected trends, the Investment Manager actively reviews the Fund's currency exposure, focusing, in particular, on managing the Fund's exposure to those currencies considered less likely to hold their long-term value.

The Fund does not seek to mirror the MSCI Emerging Markets Index and may deviate meaningfully from it in pursuit of superior long-term capital appreciation.

The net returns of the Shared Investor RRF Class (A) from its inception on 14 May 2020, stitched with the net returns of the Investor Share Class from the Fund's inception to 14 May 2020, have underperformed the stitched Performance Fee Benchmarks of the respective classes. The Fund will experience periods of underperformance in pursuit of its long-term objective.

Risk/Reward Profile

- The Fund is aimed at investors who are seeking a portfolio the objective of which is to be invested in, and exposed to, Emerging Market securities.
- Investments in the Fund may suffer capital loss.
- Investors should understand that the Investment Manager generally assesses an equity investment's attractiveness using a three-to-five year time horizon.

Management Fee

As is described in more detail in the Fund's Prospectus, the Fund's various share classes bear different management fees. The fees are designed to align the Manager's and Investment Manager's interests with those of investors in the Fund.

For an initial period of time, the Shared Investor RRF Class (A) is charging the fee of the Investor Share Class, reduced by 0.3% per annum. Numerous investors have switched to the Shared Investor RRF Class (A) from the Investor Share Class. This temporary measure will ensure that the fees paid by investors account for underperformance experienced by the Investor Share Class before the inception date of the Shared Investor RRF Class (A). The fee of the Investor Share Class that is currently being charged to the Shared Investor RRF Class (A) is calculated as follows:

The fee rate is calculated weekly by comparing the Class' performance over three years against the MSCI Emerging Markets Index. For each percentage point of three year performance above or below that performance, 0.04 percentage points are added to or deducted from 1.5%, subject to the following limits:

- Maximum fee: 2.5% per annum
- Minimum fee: 0.5% per annum

This fee is then reduced by 0.3% per annum. This 0.3% per annum reduction is provided because investors in the Shared Investor RRF Class (A) are subject to an additional administrative fee, as they separately agree with Allan Gray Proprietary Limited (or one of its affiliates) from time to time.

The Shared Investor RRF Class (A) will continue to charge the fee of the Investor Share Class, reduced by 0.3% per annum, until the earlier of the first dealing day (a) on or after 14 May 2023, or (b) on which the average management fee charged by the Investor Share Class equals or exceeds 1.5% per annum of the Investor Share Class' net assets for the period ending on that dealing day and beginning on the later of (i) 12 months prior to that dealing day, or (ii) 14 May 2020. After this point, the Class' management fee will instead be charged as follows:

- **Base Fee:** Calculated and accrued weekly at a rate of 0.8% per annum of the Class' net asset value. Investors separately pay an administrative fee directly to Allan Gray Proprietary Limited or one of its affiliates. The Investment Manager or one of its affiliates is entitled to receive a separate fee from Allan Gray Proprietary Limited or one of its affiliates in connection with this administrative fee, related to services the Investment Manager and its affiliates provide to Allan Gray Proprietary Limited or its affiliates.
- **Refundable Performance Fee:** When the performance of the Shared Investor RRF Class (A) (after deducting the Base Fee and an additional 0.3% per annum, which is deemed to be representative of the aforementioned administrative fee) beats the Performance Fee Benchmark over the period from one dealing day to the next, 25% of the value of the outperformance is paid into a reserve and reinvested into the Fund. If the value of the reserve is positive on any dealing day, the Investment Manager is entitled to a performance fee in an amount capped at the lesser of an annualised rate of (a) one-third of the reserve's net asset value and (b) 2.5% of the net asset value of the Shared Investor RRF Class (A). Fees paid from the reserve to the Investment Manager are not available to be refunded as described below.

When the performance of the Shared Investor RRF Class (A) (after deducting the Base Fee and the aforementioned additional 0.3% per annum) trails the Performance Fee Benchmark over the period from one dealing day to the next, 25% of the value of the underperformance is refunded from the reserve to the Shared Investor RRF Class (A). If at any time sufficient value does not exist in the reserve to provide the refund, a reserve recovery mark is set, and subsequent underperformance is tracked. Such relative losses must be recovered before any outperformance results in any payment to the reserve.

Please review the Fund's prospectus for additional detail and for a description of the management fee borne by the Fund's other share classes.

Orbis SICAV Emerging Markets Equity Fund

Shared Investor Refundable Reserve Fee Share Class (A) (“Shared Investor RRF Class (A)”)

Fees, Expenses and Total Expense Ratio (TER)

The relevant class within the Fund bears all expenses payable by such class, which shall include but not be limited to fees payable to its Manager, Investment Manager and additional service providers, fees and expenses involved in registering and maintaining governmental registrations, taxes, duties and all other operating expenses, including the cost of buying and selling assets.

Where an investor subscribes or redeems an amount representing 5% or more of the net asset value of the Fund, the Manager may cause the Fund to levy a fee of 0.75% of the net asset value of the Fund shares being acquired or redeemed.

The annual management fees charged are included in the TER. The TER is a measure of the actual expenses incurred by the class over a 12 month period, excluding trading costs. Since Fund and Class returns are quoted after deduction of these expenses, the TER should not be deducted from the published returns. Expenses may vary, so the current TER is not a reliable indicator of future TERs.

Changes in the Fund's Top 10 Holdings

30 September 2021	%	31 December 2021	%
NetEase	10.0	Naspers	9.8
Naspers	9.5	NetEase	8.4
British American Tobacco	7.6	British American Tobacco	8.2
Kiwoom Securities	6.5	Kiwoom Securities	6.6
Jardine Matheson Holdings	5.1	Jardine Matheson Holdings	6.3
Taiwan Semiconductor Mfg.	4.0	Samsung Electronics	4.8
Samsung Electronics	4.0	Taiwan Semiconductor Mfg.	3.9
Sberbank of Russia	3.8	Ayala	3.4
Ayala	3.3	Largan Precision	3.3
Astra International	3.3	Sberbank of Russia	3.2
Total	57.3	Total	57.9

Past performance is not a reliable indicator of future results. Orbis Fund share prices fluctuate and are not guaranteed. Returns may decrease or increase as a result of currency fluctuations. When making an investment in the Funds, an investor's capital is at risk.

Orbis SICAV Emerging Markets Equity Fund

Additional Information

South African residents should contact Allan Gray Unit Trust Management (RF) Proprietary Limited at 0860 000 654 (toll free from within South Africa) or offshore_direct@allangray.co.za to receive, free of charge, additional information about a proposed investment (including Prospectus, application forms, annual reports and a schedule of fees, charges and maximum commissions). The Investment Manager can be contacted at +1 441 296 3000 or clientservice@orbis.com. The Fund's Depository is Citibank Europe plc, Luxembourg Branch, 31 Z.A. Bourmicht, L-8070 Bertrange, Luxembourg. All information provided herein is subject to the more detailed information provided in the Fund's Prospectus.

Share Price and Transaction Cut Off Times

Share prices are calculated for the (i) Investor Share Class(es), (ii) Shared Investor Refundable Reserve Fee Share Class(es), (iii) Shared Investor Refundable Reserve Fee Share Class(es) (A), (iv) Standard Share Class(es) and (v) Standard Share Class(es) (A) on a net asset value basis by share class, normally as of 5:30 pm (Bermuda time), (a) each Thursday (or, if a Thursday is not a business day, the preceding business day), (b) on the last business day of each month and/or (c) any other days in addition to (or substitution for) any of the days described in (a) or (b), as determined by the Investment Manager or Manager (as indicated in the Fund's prospectus) without notice.

Subscriptions are only valid if made on the basis of the Fund's current Prospectus. To be processed on a given dealing day: subscription requests into an Orbis Fund that is not an Orbis SICAV Fund must be submitted by 5:00 pm on that dealing day; subscription requests into an Orbis Fund that is an Orbis SICAV Fund must be submitted by 5:30 pm; redemption requests from an Orbis Fund that is not an Orbis SICAV Fund must be submitted by 12 noon; redemption requests from an Orbis Fund that is an Orbis SICAV Fund must be submitted by 5:30 pm; requests to switch from an Orbis Fund that is not an Orbis SICAV Fund to a different Orbis Fund that is also not an Orbis SICAV Fund must be submitted by 12 noon; requests to switch from an Orbis SICAV Fund into a different Orbis Fund that is not an Orbis SICAV Fund must be submitted by 5:00 pm; requests to switch from an Orbis Fund that is not an Orbis SICAV Fund to a different Orbis Fund that is an Orbis SICAV Fund must be submitted by 12 noon; and requests to switch from an Orbis Fund that is an Orbis SICAV Fund to a different Orbis Fund that is also an Orbis SICAV Fund must be submitted by 5:30 pm. All times given are Bermuda time, and all requests must be properly completed and accompanied by any required funds and/or information.

Share prices, updated weekly, are available:

- by e-mail, by registering with Orbis for this service at the Orbis website at www.orbis.com,
- for the Shared Investor RRF Share Class(es) (A) and Standard Share Class(es) (A), from the Allan Gray Unit Trust Management (RF) Proprietary Limited's website at www.allangray.co.za, and
- for the Shared Investor RRF Share Class(es), Standard Share Class(es), and Investor Share Class(es), from the Orbis website at www.orbis.com.

Legal Notices

Returns are net of fees, include income and assume reinvestment of dividends. Figures quoted are for the periods indicated for a \$10,000 investment (lump sum, for illustrative purposes only). Annualised returns show the average amount earned on an investment in the Fund/share class each year over the given time period. This Report does not constitute advice nor a recommendation to buy, sell or hold, nor an offer to sell or a solicitation to buy interests or shares in the Orbis Funds or other securities in the companies mentioned in it.

Collective Investment Schemes (CIS) are generally medium to long-term investments. The value of an investment in the Fund may go down as well as up, and past performance is not a reliable indicator of future results. Neither the Manager nor the Investment Manager provides any guarantee with respect to capital or the Fund's returns. CIS are traded at ruling prices and can engage in borrowing and scrip lending. Commission and incentives may be paid by investors to third parties and, if so, would be included in the overall costs. Individual investors' performance may differ as a result of investment date, reinvestment date and dividend withholding tax, as well as a levy that may apply in the case of transactions representing more than 5% of the Fund's net asset value. The Fund may be closed to new investments at any time in order to be managed in accordance with its mandate. The Fund invests in foreign securities. Depending on their markets, trading in those securities may carry risks relating to, among others, macroeconomic and political circumstances, constraints on liquidity or the repatriation of funds, foreign exchange rate fluctuations, taxation and trade settlement.

The discussion topics for the commentaries were selected, and the commentaries were finalised and approved, by Orbis Investment Management Limited, the Fund's Investment Manager. Information in this Report is based on sources believed to be accurate and reliable and provided "as is" and in good faith. The Orbis Group does not make any representation or warranty as to accuracy, reliability, timeliness or completeness of the information in this Report. The Orbis Group disclaims all liability (whether arising in contract, tort, negligence or otherwise) for any error, omission, loss or damage (whether direct, indirect, consequential or otherwise) in connection with the information in this Report.

Fund Minimum

Minimum investment amounts in the Fund are specified in the Fund's Prospectus, provided that a new investor in the Orbis Funds must open an investment account with Orbis, which may be subject to minimum investment restrictions, country restrictions and/or other terms and conditions. For more information on opening an Orbis investment account, please visit www.orbis.com.

Clients investing via Allan Gray, which includes the Allan Gray Investment Platform, an Allan Gray investment pool or otherwise through Allan Gray Nominees, remain subject to the investment minimums specified by the applicable terms and conditions.

Sources

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Notes to Help You Understand This Report

Certain capitalised terms are defined in the Glossary section of the Orbis Funds' respective Prospectuses, copies of which are available upon request from Allan Gray Unit Trust Management (RF) Proprietary Limited, a Member of the Association for Savings & Investments SA. The country and currency classification for securities follows that of third-party providers for comparability purposes. Emerging Markets follows MSCI classification when available and includes Frontier Markets. Emerging Markets currency exposure is based on currency denomination. Based on a number of factors including the location of the underlying business, Orbis may consider a security's classification to be different and manage the Funds' exposures accordingly. Totals presented in this Report may not sum due to rounding.

Risk measures are ex-post and calculated on a monthly return series. Months to recovery measures the number of months from the preceding peak in performance to recovery of that level of performance.

12 month portfolio turnover for the Orbis Equity and Multi-Asset Class Funds is calculated as the lesser of total security purchases or sales in the Fund over the period, divided by the average net asset value (NAV) of the Fund. Cash and cash equivalents are not included.

12 month name turnover for the Orbis Equity and Multi-Asset Class Funds is calculated as the number of positions held by the Fund at the start of the period but no longer held at the end of the period, divided by the total number of positions held by the Fund at the start of the period. Net current assets are not included.

Active share is a measure of the extent to which the holdings of the Orbis Equity and Multi-Asset Class Funds differ from their respective benchmark's holdings. It is calculated by summing the absolute value of the differences of the weight of each individual security in the specific Orbis Fund, versus the weight of each holding in the respective benchmark index, and dividing by two. For the Multi-Asset Class Funds, three calculations of active share are disclosed. The Portfolio active share incorporates the equity, fixed income, commodity-linked and other securities (as applicable) held by the Orbis Fund and compares those to the holdings of the composite benchmark. The Equity and Fixed Income active shares are calculated as if the equity and fixed income portions of the Orbis Funds are independent funds; each of those two sets of holdings is separately compared to the fully-weighted holdings in the appropriate component of the composite benchmark. Although the Multi-Asset Class Funds hedge stock and bond market exposure, the active share calculations are "gross" and not adjusted to reflect the hedging in place at any point in time.

For the Multi-Asset Class Funds, except where otherwise noted, government fixed income securities are aggregated by time to maturity and issuer. TIPS are not aggregated with ordinary treasuries.

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.

The total expense ratio has been calculated using the expenses, excluding trading costs, for the 12 month period ending 31 December 2021.