

Orbis Japan Equity

One year on from the tumult of 2020, we might expect to be looking at a very different Japanese stockmarket. Yet we aren't. Despite all that has happened this year, one thing hasn't changed—the extremity of the opportunity set in Japan.

The simplest way to see this is by looking at valuation spreads. By now the chart below will be familiar from previous reports. It shows the gap in valuations between cheap and expensive shares in Japan. When the line is low, cheap shares are only slightly cheaper than more richly valued ones, but when the line is high, cheap shares are *much* cheaper.

Valuation gap *still* near an all-time record

Relative attractiveness of value shares vs growth shares in the TOPIX 500, 1984 to Dec 2021



This year, the pandemic tamed some of the frothiest shares in the market, and some value stocks in the “real” economy have performed well. But that has simply taken valuation spreads from the mind-blowing extremes of 2020 to the merely mind-boggling extremes of 2019. In 35 years, the only time the gap was wider was a year ago.

For the Orbis Japan Strategy, returns in the last 12 months have been, on the face of it, pleasing, significantly outperforming the TOPIX. However, when we look at returns since the start of 2020, relative returns have essentially been zero, and we are disappointed with our performance.

Though performance was better this year, not all of our stocks performed well. Some stocks that performed well in 2020, such as the drugstores, have underperformed in 2021. We remain enthusiastic owners of these businesses, which we believe can compound earnings for many years, yet trade at far lower valuations than other stocks with similar growth characteristics.

On the positive side of the ledger are a number of stocks that we sold following their good performance. We completely exited three of our largest winners:

Daiseiki, a company specialising in the recycling of liquid industrial waste, has benefitted from the cyclical recovery in industrial production. It has also been lifted by environmental tailwinds on both the fundamental and valuation side. On the fundamental side, as Japanese corporates seek to boost their environmental credentials, they increasingly seek out specialised recycling services like those Daiseiki provides. And on the valuation side, Daiseiki has been rewarded by investors who increasingly place a “green premium” on environmentally friendly companies. While we continue to believe Daiseiki is a good company with room to grow, we exited the position as its growth potential became better appreciated and better reflected in its valuation.

Mitsui & Co, a trading company peer of holdings **Mitsubishi** and **Sumitomo**, has also benefitted from the cyclical recovery, but more significantly from its exposure to iron ore. Iron ore prices skyrocketed in 2020, peaking in mid-2021 at well over 100% above their pre-pandemic levels. Mitsui's profits took a similar path, with the company reporting record quarterly earnings. In our view, iron ore prices were unsustainably high, and the likely path for Mitsui's earnings was downward, so we exited the position. Iron ore prices have since fallen back to pre-pandemic levels—we will wait to see whether the share price follows.

Orbis Japan Equity (*continued*)

Iida Group Holdings, a leading Japanese homebuilder, has benefitted from increased demand for their detached homes. As more people work from home, more people are willing to trade cramped city-centre apartments for larger homes close to metropolitan areas. That rising demand has helped Iida clear much of its inventory, as land buying and housebuilding both slowed during the pandemic. With supply tight and demand high, Iida delivered exceptionally strong results, with profit margins at record levels. Iida outperformed, and we exited the position on the belief that the stock no longer traded at a discount to the company's value.

Selling positions after they have performed well is a good problem to have, but sometimes it is a problem! If we cannot find attractive opportunities to rotate into, sometimes good performance can leave a portfolio trading at a less attractive discount to intrinsic value.

Not so in 2021. The disparity between the cheaper and more expensive stocks in Japan is still enormous, and we have found no shortage of compelling ideas more deserving of a place in the portfolio. That excites us, as it feels like the value in the portfolio is as "fresh" as it was a year ago. The new purchases include:

Daiwa House Industry, the largest new position and a current top-ten holding. Daiwa House is a real estate developer and construction company that has grown far beyond its roots as a detached homebuilder. The company now operates in both residential and commercial real estate markets, with three main segments: construction, rental management and development. It has a solid track record having grown earnings per share at 17% per annum over the past 20 years. While we do not expect earnings to compound anywhere near that quickly going forward, the company's growth potential remains attractive. By integrating its skills in development and construction, Daiwa House has carved out an enviable competitive position in warehousing, and is well positioned to do the same in data centres, making it a beneficiary of further long-term growth in e-commerce and the digital economy. Yet despite having some of the most attractive growth prospects of any real estate developer, Daiwa House trades on less than 10 times earnings!

Seria is the second largest ¥100 store operator in Japan, commanding roughly 20% of the market through its 1,700 directly operated stores. While pound stores in the UK or dollar stores in the US largely target lower income customers, ¥100 shops in Japan have a diverse customer base and are often located in higher-end shopping malls. Seria has a winning customer proposition within the ¥100 store space, based largely on its proprietary point-of-sale system, which optimises inventory, automates product ordering, and reacts quickly to customer trends. The strength of that system shows in the company's results—Seria is more profitable than its competitors and consistently takes market share. By continuing to execute, the company should be able to sustain earnings growth of 10% per annum. That sort of high fundamental quality should warrant a premium valuation, but Seria currently trades at 17 times earnings, in line with the market, and for only 13 times if we strip out the pile of cash on its balance sheet.

One broad area where we have found value this year is the Japanese financial sector. Through the year, we added to our position in **Sumitomo Mitsui Financial Group** (SMFG), now the portfolio's largest holding, and we have bought **Mitsubishi UFJ Financial Group** (MUFG), **Sumitomo Mitsui Trust Holdings** (SMTH) and **Sompo Holdings**. SMFG and MUFG are highly diversified "megabanks", SMTH is Japan's largest trust bank, and Sompo is a property and casualty insurer. All four trade at well below 1.0 times book value, and for less than 10 times earnings.

It's simple to see why they're cheap. Financials have underperformed for decades and have been a graveyard for Japanese investors. Their valuations now reflect complete investor apathy. However, we have been impressed with the measures many have taken to strengthen their balance sheets, sell off cross shareholdings, and rationalise their operations. In particular, our holdings have among the most generous shareholder return policies in Japan. They plan to buy back shares at a steady clip, and all four sport dividend yields of around 4% or higher, backed by progressive dividend policies that will see the companies grow their dividends over time. As investors gain confidence in the sustainability of the companies' payouts, we believe their yields will become hard to ignore, and should be rewarded with higher valuations.

We added to both **Inpex** and **Japex** this year and profiled both companies in last quarter's report. We're pleased that both management teams have since taken steps to improve their capital allocation, with both

Orbis Japan Equity (*continued*)

announcing share buybacks in early November. These buybacks are the first in the history of each company, allowing each to buy back up to just over 5% of their shares. Perhaps management read our quarterly report!

Those additions—to Daiwa House, Seria, SMFG, MUFG, SMTH, Sompo, Inpex, and Japex—have contributed to a portfolio that we believe is still rich in value.

In aggregate, the portfolio still comprises stocks with fundamentals and growth similar to the TOPIX, but on a valuation basis, the Orbis Japan portfolio is much cheaper on every metric. The portfolio trades at just 9 times consensus estimates of this year’s earnings, versus 18 times for the TOPIX.

While we have no insight or edge on predicting the future path of the pandemic, what we do know is that the gap between cheap and expensive shares in Japan remains extraordinary. Although Orbis Japan has generated some outperformance in the last year, there is a long way to go before the market environment starts looking anything like “normal”. Accordingly, we remain as excited about the outperformance potential of the Orbis Japan Strategy as at just about any time we can recall in the past.

Commentary contributed by Brett Moshal and Alex Bowles, Orbis Portfolio Management (Europe) LLP, London

Orbis Japan: similar quality companies, but at a steep discount

Metrics for Orbis Japan and the TOPIX

Fundamentals	Long-term ROATE*	Long-term TNAV growth*	Revenue growth**
Orbis Japan	8%	7%	3%
TOPIX	9%	7%	3%

Valuation	Price / TNAV	Price / earnings†	Dividend yield
Orbis Japan	1.1	9	2.7%
TOPIX	2.3	18	1.8%

Source: Refinitiv, Orbis. Data is based on a representative account for the Orbis Japan Equity Strategy. In each case, calculated first at the stock level and then aggregated using a weighted median. Statistics are compiled from an internal research database and are subject to subsequent revision due to changes in methodology or data cleaning. ROATE is return on average tangible equity. TNAV is tangible net asset value. *The weighted average ROATE and TNAV growth over the full available history for the company respectively. **Average revenue growth per share, over last 10 years, for non-financial companies. †IBES forecast forward 12 months price to earnings.

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 Japan Equity (Yen) Fund

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

The Fund is designed to be exposed to all of the risks and rewards of selected Japanese equities and seeks higher returns than the Japanese stockmarket, without greater risk of loss. This Share Class is predominantly exposed to the Japanese yen. Its performance fee benchmark ("Benchmark") is the Tokyo Stock Price Index, including income, net of withholding taxes ("TOPIX (net)").

Growth of ¥10,000 investment, net of fees, dividends reinvested



The Shared Investor RRF Class (A) inceptioned on 14 May 2020 (date indicated by dashed line above). Information for the period before the inception of the Shared Investor RRF Class (A) relates to the Investor Share Class and its relevant benchmark, the Tokyo Stock Price Index, including income, gross of withholding taxes ("TOPIX (gross)").

Returns¹ (%)

	Fund	Peer group	Benchmark
Annualised	<i>Net</i>		<i>Gross</i>
Since Fund inception	8.2	4.1	3.9
20 years	7.2	4.8	5.2
10 years	12.6	12.8	13.0
5 years	6.4	8.0	7.9
3 years	10.6	13.3	12.5
	Class	Peer group	Benchmark
Since Class inception	23.6	25.6	23.7
1 year	18.7	12.6	12.4
Not annualised			
3 months	(3.7)	(1.4)	(1.7)
1 month	3.2		3.4
		Year	Net %
Best performing calendar year since Fund inception		2013	57.0
Worst performing calendar year since Fund inception		2008	(32.4)

Risk Measures,¹ since Fund inception

	Fund	Peer group	Benchmark
Historic maximum drawdown (%)	52	59	56
Months to recovery	90	95	93
Annualised monthly volatility (%)	18.2	18.1	17.4
Beta vs Benchmark	0.9	1.0	1.0
Tracking error vs Benchmark (%)	9.1	2.6	0.0

Fees & Expenses (%), for last 12 months

Ongoing charges	0.90
Fixed management fee	0.80
Fund expenses	0.10
Performance related management fee	0.02
Total Expense Ratio (TER)	0.92

Price	¥6,669	Benchmark	TOPIX (net)
Pricing currency	Japanese yen	Peer group	Average Japan Equity Fund Index
Domicile	Luxembourg	Fund size	¥151 billion
Type	SICAV	Fund inception	1 January 1998
Minimum investment	US\$50,000	Strategy size	¥277 billion
Dealing	Weekly (Thursdays)	Strategy inception	1 January 1998
Entry/exit fees	None	Class inception	14 May 2020
ISIN	LU2122431245	UCITS compliant	Yes

Sector Allocation (%)

Sector	Fund	Benchmark
Cyclicals	40	36
Consumer Non-Durables	40	24
Financials	14	9
Information and Communications	4	8
Technology	0	23
Utilities	0	1
Net Current Assets	2	0
Total	100	100

Top 10 Holdings

	Sector	%
Sumitomo Mitsui Fin.	Financials	8.1
INPEX	Cyclicals	5.8
Sugi Holdings	Consumer Non-Durables	5.6
Mitsubishi	Consumer Non-Durables	5.4
Sumitomo Electric Industries	Cyclicals	4.8
Daiwa House Industry	Cyclicals	4.8
Japan Petroleum Exploration	Cyclicals	4.4
Asahi Group Holdings	Consumer Non-Durables	4.4
Toyo Tire	Cyclicals	4.2
Yamato Kogyo	Cyclicals	4.2
Total		51.7

Portfolio Concentration & Characteristics

% of NAV in top 25 holdings	88
Total number of holdings	40
12 month portfolio turnover (%)	57
12 month name turnover (%)	31
Active share (%)	90

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 Data for the period before 14 May 2020 relates to the Investor Share Class and its relevant benchmark, the TOPIX (gross).

Orbis SICAV Japan Equity (Yen) 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 1998
Class Inception date (Shared Investor RRF Class (A))	14 May 2020
Number of shares (Shared Investor RRF Class (A))	188,723
Income distributions during the last 12 months	None

Fund Objective and Benchmark

The Yen Classes of the Fund seek higher returns in yen than the Japanese stockmarket, without greater risk of loss. A benchmark is used by the Fund for two purposes: performance comparison (the “Fund Benchmark”) and performance fee calculation (the “Performance Fee Benchmark”). The Fund Benchmark is the Tokyo Stock Price Index, including income, gross of withholding taxes (“TOPIX (gross)”). The Performance Fee Benchmark of the Shared Investor RRF Class (A) is the Tokyo Stock Price Index, including income, net of withholding taxes (TOPIX (net)).

The Fund does not seek to mirror the TOPIX (gross)/(net) and may deviate meaningfully from them in pursuit of superior long-term capital appreciation.

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 the risks and rewards of selected Japanese equities. The Fund identifies as Japanese equities those equities of companies which are domiciled in Japan, whose securities trade on a Japanese stockmarket or whose business is primarily located in or linked to Japan. These equities are selected using extensive proprietary investment research undertaken by the Investment Manager and its investment advisors. 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. In addition, the Fund may, to the extent permitted by its investment restrictions, also periodically hold cash and cash equivalents when the Investment Manager believes this to be consistent with the Fund’s investment objective.

All share classes invest in a portfolio of Japanese equities selected by the Investment Manager. The currency exposure of the Shared Investor RRF Class (A) remains as fully exposed to the yen as practicable.

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 outperformed 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 invest in, and be exposed to, Japanese equities.
- 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.

The Shared Investor RRF Class (A)’s management fee is 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 related 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 Japan Equity (Yen) 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. However, the Manager and the Investment Manager have agreed that in the current calendar year, except for specified exclusions, operating expenses attributable to the Fund’s Shared Investor RRF Class (A) will be capped at 0.20%. Please refer to the Fund’s Prospectus for a description of the fee cap applicable to its other share classes. Each cap will be automatically extended for further successive one year periods unless terminated by the Manager or the Investment Manager at least three months prior to the end of the then current term. The operating expenses that are capped are all expenses, excluding the Manager’s and Investment Managers’ fees described above under “Management Fee,” the cost of buying and selling assets, interest and brokerage charges, and certain taxes.

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 0.25% 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	%
Sumitomo Mitsui Fin.	7.3	Sumitomo Mitsui Fin.	8.1
Mitsubishi	6.7	INPEX	5.8
Sugi Holdings	5.8	Sugi Holdings	5.6
Daiwa House Industry	5.1	Mitsubishi	5.4
Sumitomo Electric Industries	4.9	Sumitomo Electric Industries	4.8
Honda Motor	4.5	Daiwa House Industry	4.8
Nippon Telegraph and Telephone	4.4	Japan Petroleum Exploration	4.4
Asahi Group Holdings	4.4	Asahi Group Holdings	4.4
INPEX	4.4	Toyo Tire	4.2
Kusuri no Aoki Holdings	4.2	Yamato Kogyo	4.2
Total	51.7	Total	51.7

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 Japan 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 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 or €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. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. 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 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 Information

Prior to 29 November 2002 the Orbis SICAV Japan Equity Fund—Yen class was a British Virgin Islands investment company, Orbis Japan Equity (Yen) Fund Limited.

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

Tokyo Stock Price Index, including income ("TOPIX"): Tokyo Stock Exchange. TOPIX hedged into euro is calculated by Orbis using an industry-standard methodology using the TOPIX which is in yen. No further distribution of the TOPIX data is permitted.

Average Fund data source and peer group ranking data source: © 2022 Morningstar. All Rights Reserved. Such information (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. The latest average fund indices provided by Morningstar are for 23 December 2021. To allow comparison of returns to a common date we have extended the average equity and multi-asset class fund indices to reflect the subsequent movement of the applicable benchmark indices. Average fund returns are not shown for periods of a month or less as high price volatility and late fund reporting regularly cause them to be significantly restated by Morningstar.

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.