

Fund description and summary of investment policy

The Fund is a feeder fund and invests only in the Orbis Global Equity Fund, managed by Allan Gray's offshore investment partner, Orbis Investment Management Limited. The Orbis Global Equity Fund is designed to be exposed to all of the risks and rewards of selected global shares. Returns are likely to be volatile, especially over short- and medium-term periods. Although the Fund's investment universe is global, the units in the Fund are priced and traded daily in rands.

ASISA unit trust category: Global – Equity – General

Fund objective and benchmark

The Fund aims to outperform global stock markets over the long term, without taking on greater risk. Its benchmark is the FTSE World Index, including income.*

How we aim to achieve the Fund's objective

The Fund invests only in the Orbis Global Equity Fund. The Orbis Global Equity Fund is designed to be exposed to all of the risks and rewards of selected global shares. Orbis uses in-house research to identify companies around the world whose shares can be purchased for less than Orbis' assessment of their long-term intrinsic value. This long-term perspective enables Orbis to buy shares which are shunned by the stock market because of their unexciting or poor short-term prospects, but which are relatively attractively priced if one looks to the long term. This is the same approach as that used by Allan Gray to invest in South African equities, except that Orbis is able to choose from many more shares, listed internationally.

Suitable for those investors who

- Seek exposure to diversified international equities to provide long-term capital growth
- Wish to invest in international assets without having to personally expatriate rands
- Are comfortable with global stock market and currency fluctuation and risk of capital loss
- Typically have an investment horizon of more than five years
- Wish to use the Fund as a global equity 'building block' in a diversified multi-asset class portfolio

Minimum investment amounts

Minimum lump sum per investor account	R20 000
Additional lump sum	R500
Minimum debit order**	R500

*Effective 14 May 2020, the Orbis Global Equity Fund's benchmark changed to the MSCI World Index, including income, after withholding taxes. However, for an initial period of time, the Orbis Global Equity Fund is continuing to charge its fee with reference to the FTSE World Index, including income. See the Orbis Global Equity Fund's factsheet for more information. After this initial period of time, the benchmark of the Allan Gray-Orbis Global Equity Feeder Fund will change to the MSCI World Index, including income, after withholding taxes.

**Only available to investors with a South African bank account.

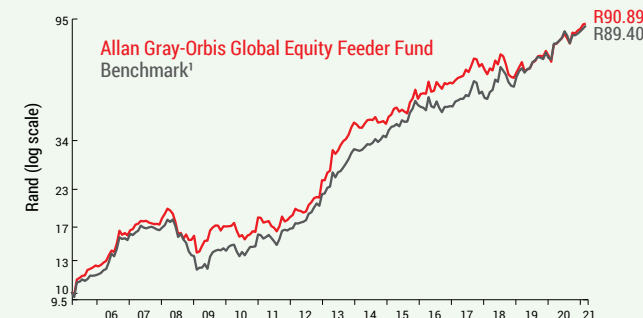
Fund information on 30 April 2021

Fund size	R24.5bn
Number of units	271 076 414
Price (net asset value per unit)	R90.49
Class	A

1. FTSE World Index including income (source: Bloomberg), performance as calculated by Allan Gray as at 30 April 2021.
2. This is based on the latest available numbers published by IRESS as at 31 March 2021.
3. Maximum percentage decline over any period. The maximum rand drawdown occurred from 6 June 2008 to 10 March 2009 and maximum benchmark drawdown occurred from 5 June 2008 to 6 March 2009. Drawdown is calculated on the total return of the Fund/benchmark (i.e. including income).
4. The percentage of calendar months in which the Fund produced a positive monthly return since inception.
5. The standard deviation of the Fund's monthly return. This is a measure of how much an investment's return varies from its average over time.
6. These are the highest or lowest consecutive 12-month returns since inception. This is a measure of how much the Fund and the benchmark returns have varied per rolling 12-month period. The Fund's highest annual return occurred during the 12 months ended 31 December 2013 and the benchmark's occurred during the 12 months ended 31 December 2013. The Fund's lowest annual return occurred during the 12 months ended 31 March 2009 and the benchmark's occurred during the 12 months ended 31 March 2009. All rolling 12-month figures for the Fund and the benchmark are available from our Client Service Centre on request.

Performance net of all fees and expenses

Value of R10 invested at inception with all distributions reinvested



% Returns	Fund		Benchmark ¹		CPI inflation ²	
	ZAR	US\$	ZAR	US\$	ZAR	US\$
Cumulative:						
Since inception (1 April 2005)	808.9	291.6	794.0	285.2	136.7	37.1
Annualised:						
Since inception (1 April 2005)	14.7	8.8	14.6	8.7	5.5	2.0
Latest 10 years	17.7	8.8	19.0	10.0	5.0	1.7
Latest 5 years	12.2	11.8	15.0	14.5	4.4	2.1
Latest 3 years	13.1	7.6	20.0	14.2	4.0	2.0
Latest 2 years	17.1	16.5	19.2	18.6	3.7	2.1
Latest 1 year	18.6	50.1	16.1	47.0	3.2	2.6
Year-to-date (not annualised)	8.3	9.9	8.2	9.8	1.9	1.5
Risk measures (since inception)						
Maximum drawdown ³	-34.1	-52.8	-38.0	-57.6	n/a	n/a
Percentage positive months ⁴	63.7	60.6	62.7	64.2	n/a	n/a
Annualised monthly volatility ⁵	15.4	17.4	14.0	15.8	n/a	n/a
Highest annual return ⁶	78.2	64.1	54.2	58.4	n/a	n/a
Lowest annual return ⁶	-29.7	-44.8	-32.7	-47.3	n/a	n/a

Meeting the Fund objective

Since inception the Fund has outperformed its benchmark. Over the last 10- and five-year periods, it has underperformed its benchmark. The Fund has provided returns in excess of CPI inflation for all three periods. The Fund experiences periods of underperformance in pursuit of its objective of creating long-term wealth for investors, without taking on greater risk of loss than the global stock market. The maximum drawdown and lowest annual return numbers, in the 'Performance net of all fees and expenses' table, show that the Fund has successfully reduced downside risk in periods of negative market returns.

Income distributions for the last 12 months

To the extent that income earned in the form of dividends and interest exceeds expenses in the Fund, the Fund will distribute any surplus annually.	31 Dec 2020
Cents per unit	0.6366

Annual management fee

Allan Gray does not charge an annual management fee but is paid a marketing and distribution fee by Orbis.

Orbis charges an annual management fee within the underlying Orbis Global Equity Fund. The fee rate is calculated based on the Orbis fund's performance relative to its benchmark. For more information please refer to the Orbis Global Equity Fund factsheet, which can be found at www.orbis.com.

Total expense ratio (TER) and Transaction costs

The annual management fee charged by Orbis is included in the TER. The TER is a measure of the actual expenses incurred by the Fund over a one and three-year period (annualised). Since Fund returns are quoted after deduction of these expenses, the TER should not be deducted from the published returns (refer to page 4 for further information). Transaction costs are disclosed separately.

TER and Transaction costs breakdown for the 1- and 3-year period ending 31 March 2021	1yr %	3yr %
Total expense ratio	0.82	1.26
Fee for benchmark performance	1.49	1.49
Performance fees	-0.72	-0.28
Other costs excluding transaction costs	0.05	0.05
VAT	0.00	0.00
Transaction costs (including VAT)	0.13	0.09
Total investment charge	0.95	1.35

Top 10 share holdings on 30 April 2021

Company	% of portfolio
British American Tobacco	7.1
NetEase	6.6
Naspers ⁷	6.4
XPO Logistics	6.2
Bayerische Motoren Werke	3.4
Anthem	3.3
Comcast	3.2
Howmet Aerospace	3.0
Newcrest Mining	2.9
Taiwan Semiconductor Mfg.	2.8
Total	44.8

Asset allocation on 30 April 2021

This fund invests solely into the Orbis Global Equity Fund

	Total	North America	Europe and UK	Japan	Asia ex-Japan	Other
Net equities	97.9	32.3	30.0	8.9	17.3	9.3
Hedged equities	0.0	0.0	0.0	0.0	0.0	0.0
Fixed interest	0.0	0.0	0.0	0.0	0.0	0.0
Commodity-linked	0.0	0.0	0.0	0.0	0.0	0.0
Net current assets	2.1	0.0	0.0	0.0	0.0	2.1
TOTAL	100.0	32.3	30.0	8.9	17.3	11.4

Currency exposure of the Orbis Global Equity Fund

	Funds	Index
100.0	41.8	30.5
100.0	64.7	18.5
	9.2	7.3
	9.2	5.9
	9.3	3.7

7. Includes holding in Prosus NV if applicable.

Note: There may be slight discrepancies in the totals due to rounding.

With just 30% of assets invested in US shares versus 66% for the MSCI World Index, the Orbis Global Equity Fund's current underweight to the US market is the largest in its history. As always, our portfolio positioning is driven by bottom-up decisions about individual businesses. But those decisions don't take place in a vacuum. They are influenced by the hand we are dealt by the market, and we naturally gravitate to areas where the attractive opportunities appear most abundant.

In recent years, the stockpicking environment in the US has been characterised by rising aggregate valuations, surging liquidity, dwindling concern for risk and increasing speculation. Yet despite stiff valuation headwinds at the broader market level, some of our highest-conviction ideas have come from the US market, where we continue to own a number of businesses that we believe offer attractive long-term risk-adjusted returns. In particular, we have uncovered shares of businesses that are cyclical, but also competitively advantaged.

XPO, a transportation and logistics company with operations in the US and Europe, is one example. It has been one of Orbis Global's largest holdings for many years. The business is run by Bradley Jacobs, who has a strong track record of strategic vision, capital allocation acumen and operational skill. The most tangible evidence is XPO's outperformance of 14% per annum versus the S&P 500 since Jacobs took the helm in 2011.

Despite these results, we believe XPO continues to be undervalued, in part due to its complexity. It was therefore welcome news at the end of 2020 when XPO announced its intent to spin off its contract logistics business into an independent public company called GXO Logistics, and to seek investment grade credit ratings at both companies. As a simpler, pure-play transportation business, we believe XPO should be valued closer to its listed peers. Even if we assume a somewhat lower valuation, and that XPO keeps all of the company's current debt, this would ascribe no value to the GXO spin-off, which means we would essentially get it for free.

We believe the implementation of this spin-off plan and subsequent deleveraging, in conjunction with steady execution and an attractive long-term earnings growth trajectory, creates a compelling long-term risk-adjusted return profile for our holding today in XPO. It can take time for spin-offs to ultimately influence a company's valuation, but they can be an effective way to unlock hidden or underappreciated value.

While our conviction in XPO is driven by our bottom-up research, we also see reason for optimism about the relative return potential of XPO, and our other cyclical shares, when we consider the broader market and economic context. Large exogenous shocks have a way of changing the prevailing regime in unexpected but enduring ways, and the COVID-19 pandemic was nothing if not a shock to the global economy.

The market regime of the last decade in the US was a near-perfect confluence of conditions for the shares of the defensive growth businesses that we have largely avoided in recent years. Below-trend economic growth in the aftermath of the GFC created an earnings headwind for economically sensitive businesses that made the relative earnings growth of many disruptive growth businesses look unusually attractive by comparison; with real growth scarce, investors were willing to pay a

large premium for it. At the same time, inflation remained subdued. Finally, with low growth, low inflation and aggressive central bank intervention, long-term interest rates were depressed to historically low levels, disproportionately benefiting long-duration assets, such as the shares of richly-priced growth companies.

As this regime became entrenched, relative valuations for such businesses, which started low, were steadily amplified by the circularity of the capital cycle. Growth managers outperformed, attracting new assets, spurring further buying of the same growth shares, pushing such shares ever higher, while the reverse happened to value managers and their shares.

Yet developments since the pandemic offer the tantalising possibility that this regime may be changing.

Consider, for example, that the pandemic unleashed the most extreme increase in US government spending since World War II, US\$6 trillion of stimulus, with more likely on the way given the prevailing political environment in Washington DC. The magnitude of this fiscal response is difficult to overstate and may well produce a period of unusually high economic growth in the coming years. Even without these extraordinary measures, the "real" economy stands to benefit from accelerating vaccine deployment and the end of lockdowns, combined with enormous pent-up demand and the highest individual savings rate in decades.

Additionally, the combination of surging demand, limited supply of both labour and goods (already a theme across US companies), ongoing de-globalisation and exceptionally loose monetary policy, potentially set the conditions for much higher rates of inflation and interest rates. Such a development would be a significant headwind to richly-priced growth shares.

While none of this is guaranteed to happen – and this is by no means a "forecast" on our part – it aligns well with developments in recent months. And by owning individually attractive companies like XPO, we don't need to bet on a regime change to find favourable risk-adjusted returns. A clear lesson from history is that big shifts can unfold dramatically, and it is critical to avoid areas of the market that look most overvalued. At this stage of the cycle, we believe it is less about trying to find the next Amazon, and more about trying to avoid being left holding the next Pets.com. US stocks may currently represent a relatively small portion of the Orbis Global Equity Fund, a far cry from their weight in the World Index. But, in our view, the handful of ideas that make up our allocation to the US are among our highest-conviction holdings anywhere in the world.

Over the quarter, most of the concentrations in the portfolio were unchanged. We established new positions in several ecommerce companies operating in emerging markets. We also added to the existing position in Naspers. We funded these by trimming several positions that had outperformed of late, including BMW and Taiwan Semiconductor Manufacturing.

**Adapted from a commentary contributed by Matthew Adams and Eric Marais,
Orbis Investment Management (U.S.), L.P., San Francisco**

**Fund manager quarterly
commentary as at
31 March 2021**

The availability of the Fund is subject to offshore capacity constraints. Please contact our Client Service Centre for further information about any constraints that may apply.

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Management Company

Allan Gray Unit Trust Management (RF) (Pty) Ltd (the "Management Company") is registered as a management company under the Collective Investment Schemes Control Act 45 of 2002, in terms of which it operates unit trust portfolios under the Allan Gray Unit Trust Scheme, and is supervised by the Financial Sector Conduct Authority (FSCA). The Management Company is incorporated under the laws of South Africa and has been approved by the regulatory authority of Botswana to market its unit trusts in Botswana, however, it is not supervised or licensed in Botswana. Allan Gray (Pty) Ltd (the "Investment Manager"), an authorised financial services provider, is the appointed investment manager of the Management Company and is a member of the Association for Savings & Investment South Africa (ASISA). The trustee/custodian of the Allan Gray Unit Trust Scheme is Rand Merchant Bank, a division of FirstRand Bank Limited. The trustee/custodian can be contacted at RMB Custody and Trustee Services: Tel: +27 (0)87 736 1732 or www.rmb.co.za.

Performance

Collective investment schemes in securities (unit trusts or funds) are generally medium- to long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to future performance. Movements in exchange rates may also cause the value of underlying international investments to go up or down. The Management Company does not provide any guarantee regarding the capital or the performance of the Fund. Performance figures are provided by the Investment Manager and are for lump sum investments with income distributions reinvested. Actual investor performance may differ as a result of the investment date, the date of reinvestment and dividend withholding tax.

Fund mandate

Funds may be closed to new investments at any time in order to be managed according to their mandates. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. The funds may borrow up to 10% of their market value to bridge insufficient liquidity.

Unit price

Unit trust prices are calculated on a net asset value basis, which is the total market value of all assets in the Fund, including any income accruals and less any permissible deductions from the Fund, divided

by the number of units in issue. Forward pricing is used and fund valuations take place at approximately 16:00 each business day. Purchase and redemption requests must be received by the Management Company by 14:00 each business day to receive that day's price. Unit trust prices are available daily on www.allangray.co.za.

Fees

Permissible deductions may include management fees, brokerage, securities transfer tax, auditor's fees, bank charges and trustee fees. A schedule of fees, charges and maximum commissions is available on request from Allan Gray.

Total expense ratio (TER) and transaction costs

The total expense ratio (TER) is the annualised percentage of the Fund's average assets under management that has been used to pay the Fund's actual expenses over the past one- and three-year periods. The TER includes the annual management fees that have been charged (both the fee at benchmark and any performance component charged), VAT and other expenses like audit and trustee fees. Transaction costs (including brokerage, securities transfer tax, Share Transactions Totally Electronic (STRATE) and FSCA Investor Protection Levy and VAT thereon) are shown separately. Transaction costs are necessary costs in administering the Fund and impact Fund returns. They should not be considered in isolation as returns may be impacted by many other factors over time, including market returns, the type of financial product, the investment decisions of the investment manager, and the TER. Since Fund returns are quoted after the deduction of these expenses, the TER and transaction costs should not be deducted again from published returns. As unit trust expenses vary, the current TER cannot be used as an indication of future TERs. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. Instead, when investing, the investment objective of the Fund should be aligned with the investor's objective and compared against the performance of the Fund. The TER and other funds' TERs should then be used to evaluate whether the Fund performance offers value for money. The sum of the TER and transaction costs is shown as the total investment charge (TIC).

Feeder fund

A feeder fund is a unit trust that invests in another single unit trust, which charges its own fees. Allan Gray does not charge any additional fees in its feeder funds.

Foreign exposure

This fund invests in a foreign fund managed by Orbis Investment Management Limited, our offshore investment partner.

FTSE Russell Index

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MSCI Index

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