Fund managers: This Fund invests solely into the Orbis Global Equity Fund, managed by Orbis Investment Management Limited **Inception date:** 1 April 2005

Allan Gray-Orbis Global Equity Feeder Fund

31 July 2022

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*

Initial lump sum per investor account	R50 000
Additional lump sum	R1 000
Debit order**	R1 000

*Lower minimum investment amounts apply for investments in the name of an investor younger than 18. Please refer to our website for more information.

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

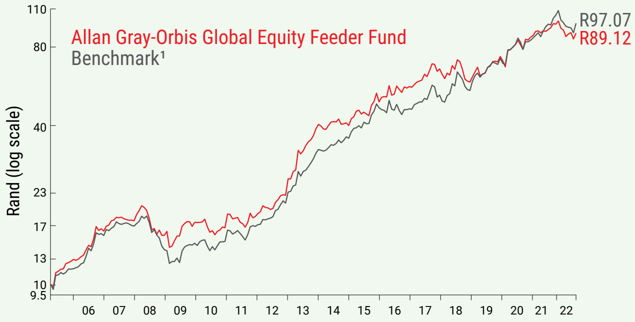
Fund information on 31 July 2022

Fund size	R23.3bn
Number of units	262 219 049
Price (net asset value per unit)	R88.69
Class	A

1. FTSE World Index including income (source: Bloomberg), performance as calculated by Allan Gray as at 31 July 2022. Effective 14 May 2020, the Orbis Global Equity Fund's benchmark changed from the FTSE World Index, including income (FTSE World Index), to the MSCI World Index, including income, after withholding taxes (MSCI World Index). For an initial period of time, the Orbis Global Equity Fund will continue to charge its fee with reference to the FTSE World Index. After this period, the benchmark of the Allan Gray-Orbis Global Equity Feeder Fund will change to the MSCI World Index. Please see the Orbis Global Equity Fund's factsheet for more information on this fee transitional period.
2. This is based on the latest available numbers published by IRESS as at 30 June 2022.
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]	
Cumulative:	ZAR	US$	ZAR	US$	ZAR	US$
Since inception (1 April 2005)	791.2	234.3	870.7	264.1	156.7	52.9
Annualised:						
Since inception (1 April 2005)	13.5	7.3	14.0	7.8	5.6	2.5
Latest 10 years	16.5	8.6	18.3	10.3	5.2	2.6
Latest 5 years	7.4	2.6	14.0	8.9	4.7	3.9
Latest 3 years	12.3	6.6	15.5	9.7	4.8	5.0
Latest 2 years	5.1	6.3	9.6	10.8	6.1	7.2
Latest 1 year	-1.5	-13.4	3.1	-9.3	7.4	9.0
Year-to-date (not annualised)	-10.0	-13.6	-10.5	-14.1	4.8	6.0
Risk measures (since inception)						
Maximum drawdown[3]	-34.1	-52.8	-38.0	-57.6	n/a	n/a
Percentage positive months[4]	63.0	59.6	61.5	63.9	n/a	n/a
Annualised monthly volatility[5]	15.2	17.3	14.1	15.9	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

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Meeting the Fund objective

Since inception and over the latest 10- and five-year periods, the Fund 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 2021
Cents per unit	**1.5476**

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 and prospectus, 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 30 June 2022	1yr %	3yr %
Total expense ratio	**0.92**	**0.88**
Fee for benchmark performance	1.49	1.49
Performance fees	-0.62	-0.66
Other costs excluding transaction costs	0.05	0.05
VAT	0.00	0.00
Transaction costs (including VAT)	**0.12**	**0.10**
Total investment charge	**1.04**	**0.98**

Top 10 share holdings on 31 July 2022

Company	% of portfolio
British American Tobacco	7.0
FLEETCOR Technologies	4.0
Global Payments	3.7
XPO Logistics	3.1
Howmet Aerospace	2.9
Progressive	2.9
Samsung Electronics	2.8
GXO Logistics	2.8
Shell	2.6
ING Groep	2.3
Total	**34.0**

Asset allocation on 31 July 2022

This fund invests solely into the Orbis Global Equity Fund

	Total	North America	Europe and UK	Japan	Asia ex-Japan	Other
Net equities	98.0	48.2	22.7	9.7	12.4	5.1
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	2.0	0.0	0.0	0.0	0.0	2.0
TOTAL	**100.0**	**48.2**	**22.7**	**9.7**	**12.4**	**7.1**
Currency exposure of the Orbis Global Equity Fund						
Funds	100.0	48.8	24.2	12.0	7.8	7.2
Index	100.0	67.8	16.9	6.6	4.9	3.7

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

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Fund manager quarterly commentary as at 30 June 2022

As painful as the first six months of 2022 have been for global stock markets, it's worth keeping the decline in perspective. Since 2009, global equities have returned 12.5% per annum during a time when the yield on safe cash has collapsed to near zero. That stellar performance is largely thanks to unprecedented support from central bank actions. Those actions have led the financial world to a strange and precarious place. Today, we see three giant sources of risk and opportunity in global stock markets. First, and most importantly for us, valuation dislocations are extremely stretched and should unwind. Second, economic conditions may look extremely different from those of the last decade. And third, many industries may face a future that is extremely different from their recent past.

Our job is to search around the world for the most attractively valued individual companies we can find. That leads us fairly naturally to be on the cheap side of valuation dislocations. Today, we are finding that many of the shares that look most attractively priced to us are *also* on the right side of the other two forces.

We will start by touching on the distortions in economic conditions and valuations, then we will walk through the current opportunity in the energy sector to show how the three forces come together.

Duration dislocation

Since 2009, central banks have suppressed interest rates and bond yields, distorting the signals that interest rates usually provide. Normally, cash today should be more valuable than the promise of cash later, and normally one would expect compensation for the "time risk" of locking up money for a long time.

The past decade has not been normal. In this strange world, investors have been unusually happy to pay up for the promise of potential profits in the distant future. We call this the "duration dislocation", and it seems to defy both conventional financial theory and common sense.

Within equities, that has – until the last few months – been fantastic for the valuations of speculative growth companies which lose money now but promise untold riches later, and it has been painful for the valuations of boring old economy companies that make plenty of cash now.

Importantly, these valuation distortions do not just affect the performance of stock prices – they also have a profound impact on how capital is allocated in the real economy, and the energy sector offers a timely illustration.

Underinvesting in an energy crunch

Given the importance of energy in our modern economy, we should expect to see steady capital investment over time to drive further gains in productivity and quality of life. It's striking, therefore, that capital investment in primary energy has *dropped* significantly in recent years.

The current underinvestment is partly due to the duration dislocation. When investors value faraway cash as highly as cash today, they pour capital into startups that burn money to grow quickly, and they drain capital from old economy businesses that make money but grow slowly.

The falling investment in energy has also been driven by increasingly urgent climate concerns. *For the first time in history, we are faced with the challenge of optimising our energy system not just for cost, but also for carbon.*

Consider Shell, a roughly 2% position in the Orbis Global Equity Fund ("the Fund"). Most people see Shell as a fossil fuel company, but we see it more as a diversified energy business that is well positioned to aid the transition by delivering various forms of energy to customers in an efficient and increasingly clean way.

In South Africa, Shell's planned offshore seismic survey is a particular focus. Orbis and Allan Gray analysts engaged with the company about it in December, and we encouraged them to publish a summary of their environmental impact assessment and to share the scientific evidence on which their views are based. The planned survey is currently suspended, and aspects of the project are now being debated in courts.

Globally, Shell has committed to net-zero emissions by 2050, along with interim targets for 2035 – targets that include not only its own emissions but also the impact of the energy products it sells to customers.

A key part of this is through Shell's exposure to natural gas – a fuel that we see as key to facilitate the transition – but also through renewables, infrastructure and retail operations (refuelling stations). Shell's trading arm, which plays a critical role in matching supply and demand for energy around the world, is unique in scale and likely to be increasingly valuable in a volatile and scarce energy environment.

Rather than offering the promise of cash flows in the distant future, Shell is returning hard cash to investors today in the form of dividends and share buybacks, as well as increasing capital expenditures to more sustainable levels. On top of that, it offers longer-term inflation protection and resilience against energy shocks. But like many cash-producing businesses, Shell is still very conservatively priced.

Shell is just one example, but there are other companies in the Fund that we believe will benefit from the unwinding of what, in our view, is a historic valuation dislocation. The current dislocation, coupled with the critical need to reduce carbon emissions, will likely drive higher and more volatile energy prices in the coming decade, improving fundamentals for businesses like Shell. It is also likely that the resulting inflationary environment will force central banks away from manipulating bond yields, providing an additional tailwind as cash today once again becomes more highly valued. In time, we should expect to end up in a world where capital efficiency is restored, bringing things back into balance, but it looks set to be a bumpy ride.

During the quarter, we initiated or added to a number of positions in the energy sector, of which the largest purchase was Shell. We funded these purchases by reducing the position in Swedish Match following the takeover offer by Philip Morris International, as well as some other smaller positions where our conviction level was lower. We also trimmed the positions in UnitedHealth Group and Elevance Health (previously called Anthem) after a period of outperformance reduced the discount to our assessment of intrinsic value.

Adapted from a commentary contributed by Graeme Forster, Orbis Investment Management Limited, Bermuda

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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)11 301 6335 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.

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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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