President's Letter

This year marks Orbis' 30th anniversary. We are proud of the returns we have delivered for our clients since inception and are excited about our potential to add value looking forward. But our performance in recent years has been well below our standards, so we are hardly in the mood to celebrate. More personally, the passing of Allan Gray, my father and the firm's founder, leaves me with both a heavy heart and a deep sense of determination.

From an investment perspective, 2019 was largely a year of more of the same with many now long-standing market trends extending even further. Continuing to lean against those trends was again painful, although mitigated somewhat by robust absolute returns for equities and bonds.

Many of the most rewarding investments in 2019 were those that the market considered "safe" or "predictable". A shining example in this regard is Austria's "century" bond. Owners of this bond entered 2019 with the prospect of a 1.75% annualised return over the next 98 years—particularly poor compensation for taking on such long-dated risk in our view. As it happened, they closed the year with a price return of over 35%, having gained as much as 80% when the price of the bond peaked in August.

The Austrian bond is much more than an amusing anecdote. Many of the biggest winners in global equity and bond markets in 2019 fell into this category—those with relatively predictable long-term futures—with their prices also rising sharply. While we have invested in such assets in the past, today the premium one must pay for predictability looks excessive. In contrast, the prices of investments in companies with less predictable and often more volatile cash flow streams, currently much more common in the Orbis Funds, performed far less well… again.

While this has been frustrating, it leaves us more optimistic for future relative returns. Asset prices can only rise faster than their underlying fundamentals for so long. The longer prices outpace fundamentals, the wider valuation gaps become, making risk profiles increasingly asymmetric. While the underlying fundamentals may remain safe and predictable, a rising valuation gap will eventually change any investment into a risky and volatile one as price becomes increasingly sensitive to any change in expectations. Even with an unchanged annual coupon, the price of the Austrian century bond rose by more than 35% in 2019. The converse is of course true for companies with valuations that assume less predictable fundamentals, which is what creates the opportunity for attractive relative returns.

All of this may sound obvious, but it never feels that way when the prices of predictable assets have risen as much as they have in recent years. It feels good to own them, and not owning them is extremely uncomfortable. But maintaining a disciplined focus on the relationship between intrinsic value and price is what successful long-term investing is all about. Some even say that value-oriented investing works because it hurts. Extended stretches of underperformance can test the patience of a firm's clients, its investment team and its owners—but that's what makes it so rewarding for those who can stick with it.

Nobody understood that better than Allan. He developed the distinctive investment philosophy that has been in place at Orbis since 1989 and at our sister company in South Africa since 1973. Allan's most enduring legacy might be the investment philosophy and approach he instilled in our investors, and the stable and aligned ownership structure that he put in place before his retirement in 2016.

On the pages that follow, you will find a selection of the investment insights that have resonated most with those currently on the Orbis team who worked closely with Allan over the years. Thanks to Allan, Orbis is well-positioned for the challenges that lie ahead.

William Gray

William B Gray

Allan's Legacy - Investment Thinking

Our founder Allan Gray developed the distinctive investment philosophy that has been in place at Orbis since 1989 and at our sister company in South Africa since 1973. He also had an immeasurable impact on several generations of investment professionals at both firms. Below is a small selection of the investment insights that have resonated most with those who worked with Allan over the years.

Allan loved to be contrarian. He deliberately forced himself to consider the opposite perspective. When a stock was on its knees, he'd encourage me to explore how well things could turn out: "Let your bullish juices flow!" At those times, he'd say, the onus is on the bears to justify the very low price by showing why the company or sector or country will never recover. And when things were going really well, that's when he'd be completely focused on the downside.

Working closely with Allan in the 2000s, he was very excited about Japan, in part because it had been in a bear market for over a decade and all hope had been lost. Allan was a big believer in cycles. All companies and industries go through good and bad times, which follow each other "as night follows day". He taught me that part of the benefit of leaning against the cycle is that not only are you getting a discount because of poor sentiment, you're also putting fundamentals on your side. Ideally you can find an above-average company at a weak point in its cycle, when sentiment and earnings are near a low ebb and likely to improve. That's something I've worked hard to instil in my team. Of course, you can always be wrong, but Allan was never afraid of that. He knew that the decisions you get right can do really well, more than making up for the smaller losses on the ones you get wrong. That's the magic of being contrarian.

– Ben Preston

Allan was so incredibly immersed in the art of investing. When I first arrived in Bermuda, he used to give me a lift to work, and his mind would be on the portfolio while mine was still on breakfast! He told me he rarely yawned at work because it was all so fascinating. He was also a huge believer in the importance of individual decision making and independent thought.

This hit home to me during a critical point for one of our holdings. The shares were down substantially on negative news and a group of us got together to discuss it. As views were expressed, the uncertainty of the situation felt contagious, spreading around the room just as it had spread around the wider market. A few hours later I asked Allan his view given the concerns raised in the meeting—"It's a helluva buy," he said. He saw opportunity where everyone else saw risk and was proven correct (as he so often was) as time passed and the clouds lifted. I suspect the ability and mental fortitude to tune out the emotion of the crowd and capitalise upon fleeting moments of extreme opportunity is what separates the great from the good. It is the reason we prize individual decision making so dearly. Few investors possess Allan's calm contrarian conviction and independence of thought, so when you find someone who has those traits, you have to give them the freedom to act.

– Graeme Forster

Allan was remarkable for his ability to be incredibly granular and to do so in a way that uncovered hidden insight. He would bring a company's annual report to the investment meeting and grill you about the goodwill valuation in footnote 13 on page 154. He would use management's seemingly ancillary accounting decisions to draw inferences about their transparency and integrity.

But he also had an uncanny ability to zoom out and see the big picture. He loved to find "blue sky" that Mr. Market wasn't pricing. While Allan always invested on a firm foundation of business value, he got incredibly jazzed when he saw undervalued potential, and his enthusiasm was infectious. One example was in 2002 or 2003 when Allan asked me to look at a Japanese company. They had a solid yet mature core business, but were launching a new initiative of which many were sceptical. Allan handed me some reports and circled back just two hours later full of enthusiasm to press for my view. I responded: "Allan, I think it's interesting but likely rather niche." What was the initiative? Digital cameras embedded in mobile phones! Situations with unpriced potential can be amazing asymmetric investments. Allan often had the vision to see them, and as he liked to say, "You have to go for the jugular" when you see them. And he did.

– Adam Karr

Allan's Legacy - Investment Thinking *(continued)*

What struck me most about Allan—and not just from an investment perspective—was his ability to be passionate about his views, but hold them very lightly. Even when Allan had high conviction in a particular idea he would continue to poke and prod, and then he'd come in a few days or weeks later espousing a 180-degree different view. That's what truly separated Allan from the average investor. So often investors convince themselves about something and tell everyone about it and end up being stuck with an entrenched stance. Allan never had that problem. He sought out evidence that went against his views. I think he was able to do that because he was both confident and humble—self-assured, but also comfortable enough in his own skin to happily admit being wrong. That's a very rare commodity these days.

As an investor, I'd describe Allan as an "omnivore"—it was impossible to put him in any investment style or philosophy bucket. I saw him do deep value and I saw him get excited about pure growth. But he was most excited with stocks that were value-oriented yet also had an exciting growth story that could emerge. That was the sweet spot for Allan.

– Alec Cutler

Allan was, by way of example, an extraordinary teacher. Having had the good fortune of working closely with him, what are some of my lessons?

Allan was focused on the future rather than the past, and was excited by technological progress. He liked to listen to the ideas of young people—always with curiosity and an eagerness to learn. Allan would bring the best out of people, no matter their background. During my years in Bermuda I remember with fondness the beautifully-arranged dinners at his home where he would, in his gentle style, thoroughly put me and the analyst team (and often our spouses) through the wringer on various topics. Perhaps contrary to perception, he would focus on understanding "the best" rather than "the cheapest" company in a given sector. Whilst valuations certainly played an essential role, he would be on the lookout for outstanding businesses and entrepreneurs—people who, like him, believed that if something is worth doing, it is worth doing it very (very) well.

– Stefan Magnusson

It's easy for investors to be constrained by short-term thinking and to anchor on the present. Allan was particularly skilled at thinking about how the world could look different in the future—at thinking about a much wider range of possible outcomes. He loved the idea of a "free option" in an investment thesis—the blue-sky upside that you didn't pay anything for. He was also sceptical of companies that had grown without adding much value for customers or society. Nowadays such a focus on sustainability would fall under the "ESG" banner, and Allan was ahead of his time in that sense. He also knew instinctively that great businesses with great management teams can be "compounders" that you can own for a very long time.

– Henry Allen

Allan was very aware of his own confirmation biases, and he would always encourage me to question where I could be wrong. So if I spoke to an analyst, Allan would say, don't speak to someone who shares your view—rather speak to someone who has a contrary view. Speak to those that are "sells". And when you speak to them, don't try to challenge them, but rather hear and listen to their view and see if there's something to it.

Allan was also very big on the concept of having flexibility of mind. He saw absolutely no shame in doing a 180-degree turn if you learnt some information you didn't like. I recall him once being super fired up about Mabuchi Motor and getting me to work the whole weekend on it. On Sunday, I was driving somewhere with my baby daughter in the back seat and had to stop the car on the side of the road so I could speak to Allan about my report. Although I had recommended we buy, he had changed his mind!

That's just how he was. *No sooner had Allan bought a stock*, he'd be phoning you as though we should be selling it. Eventually you learned that he was testing your conviction, and his own conviction. He wanted to be sure that we had explored every possible angle on the stock.

– Brett Moshal

Allan's Legacy - Investment Thinking *(continued)*

I joined Orbis in 2010, so Allan and I didn't overlap a huge amount. But when I'm working on a new investment idea, it's often his voice that I hear in the back of my mind. That's how deeply Allan's thinking is embedded in the Orbis DNA. And I think if you asked the people in our team who never worked with him directly at all, they would say similar things. We do all pass it down.

One that stands out is Allan's frequent advice to "dream a little"—don't just buy cheap stocks and expect them to go back to normal, look for those that can do extraordinary things in the future if their situation improves. Those were some of his biggest winners—and some of my best ideas have shared that characteristic. Allan also used to say that you can basically ignore half the market because there's not much point focusing on the areas that are doing well. Instead your focus should be on the most compelling opportunities. He used to say, "If you're not excited about an idea, you are wasting your time." While I never heard him use the term "capital cycle", he would often say that "the prosperity of good times by definition produces the tough times." That's something I've seen time and again. It's better to invest during the tough times and have the wind at your back.

– Edward Blain

Allan's starting assumption about other people was always that they are clever and hard-working. That happens to be a positive way of looking at the world, but it also has important investment implications. It explains why Allan was so adamant about the perishability of ideas. If you are trying to outperform the market, you will be up against very smart people who are also working very hard. That drove Allan to ensure that he was doing everything as well as possible and focusing on the things that really matter. For example, it explains why we track analyst performance in such great detail and have incentives that reward them for long-term thinking. The logic there is that it's not enough to have smart people who work hard—you also need to have an organisational structure that allows you to capture what your people are capable of achieving. If you build a firm that is focused on short-term performance, that will only incentivise them to focus on the best ideas for the next quarter or year. Instead Allan created an environment where people can genuinely focus on long-term investing and get on with that job with as little burden as possible.

– Nick Purser

One of the first companies Allan asked me to analyse after I started working at Allan Gray Investment Counsel in 1980 was Tiger Oats. One Monday he asked me to "take a look" at the company. Over the course of the next few days I looked at a few annual reports and began outlining the business units. Allan came into my office that Friday and asked me what I thought. I told him that I had a basic framework ready and was going to start filling in some additional information and financial analysis over the coming couple of weeks. He thanked me and got up to leave. As he left the office he paused and said, "This week we invested half-a-percent of our client funds in Tiger Oats. Can you let me know if we should sell it or make it a 5% position?" I called my fiancée and explained that I would not be home much that weekend. I had a full report and recommendation on Allan's desk by Monday morning. He had not said so explicitly, but he had communicated a clear lesson: There is nothing as perishable as a good investment idea.

– Jonathan Brodie

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 Emerging Markets Equity

Emerging markets (EMs) delivered positive returns this year, with the MSCI Emerging Markets Index up 18% in US dollars. However, EMs continued to lag developed markets (DMs), which performed strongly as the MSCI World Index rose by 28% in US dollars. What drove this divergence in performance between EMs and DMs? In short, investors were willing to pay higher prices for DM shares, despite there being no real change in earnings. EMs continue to be out of favour, and are now about 40% cheaper than DMs on a price-to-book basis, even though EM shares generate near-identical returns on equity.

Orbis Emerging Markets Equity also did not keep up with its benchmark in 2019, underperforming by around 3% on a weighted-net basis[1]. Despite having a challenging year, we are confident that our fundamental, bottom-up approach to investing is well suited to delivering long-term returns, and are excited about the investment opportunities we continue to find. However, we understand that this year may have been an uncomfortable year for you. This is exactly what makes sticking with our approach rather difficult, and also what makes it work. When the market is telling us that we are wrong, we find it helpful to go back to the first principles of our investment approach, to remind ourselves that they are sound. Here are the key tenets as we apply them in the Strategy:

We have a preference for good or great businesses
This is especially important in EMs, where we think there is a significant difference between the quality of good and average companies.

A great company is one with a sustainable advantage over its competition—what Charlie Munger would call a competitive moat. A company with a competitive moat will tend to have excellent pricing power, and that pricing power will flow through to higher returns on capital and stronger free cash flow.

That cash flow provides the raw materials for growth, but it is not sufficient on its own. A company also needs to have opportunities to deploy that cash into projects with attractive incremental returns. Companies that have both attractive investment opportunities and the cash flow to "self fund" that investment are more likely to generate and sustain a high rate of earnings growth over the long term.

Even better is a company that also has conservative accounting principles and a rock-solid balance sheet. Both things can reduce the risk of a permanent capital loss on the downside, and net cash provides the flexibility to invest counter-cyclically during downturns when competitors are forced to retreat.

On the upside, transformative "blue sky" potential is also appealing—investment opportunities that not only sustain growth, but could propel the company to be a multiple of its current value. NetEase, a leading position in Orbis EM Equity, and where we have long been the second-largest shareholder after founder William Ding's 45% stake, is a good example of this. At its current share price, we don't believe we pay for any of its nascent—and currently loss-making—businesses, which could be very valuable over the long term. For example, it recently sold its cross-border e-commerce business (Kaola) to Alibaba for US$2 billion.

We buy stocks that are trading at attractive valuations
It's all very well having a preference for good or great businesses, but their shares have to be available at the right price. A company's share price is far more volatile than movements in its intrinsic value, which creates the opportunity for us to identify significant gaps between our estimate of a company's true value and its current share price. A recent portfolio example is Newcrest Mining, an Australia-listed gold producer with operations in Papua New Guinea and Indonesia, where we took the opportunity to add to the position following share price weakness.

Discounts often arise when the market overreacts to bad news. Such temporary challenges can create fantastic buying opportunities. A recent example was when the Chinese government paused approving online games in 2018, throwing the industry into turmoil. NetEase and Tencent Holdings shares sold off, but some of their long-operating games were unaffected, and as they make money largely with a small number of high quality titles, the reduction in approvals was much less of a threat to them than to China's lower-quality game factories. The government has since resumed approving games, and NetEase and Tencent shares have begun to recover.

Similarly, pessimism about Russia provided us with the chance to buy Sberbank, the country's largest bank. Sberbank is one of the most dominant banks globally in terms of its local competitive position, with around

1 This is the asset-weighted net-of-fee return of all share classes in the Strategy. This return may differ from the return of any individual share class.

Orbis Emerging Markets Equity *(continued)*

a 30% share of total Russian banking assets, and its forward-thinking approach to digitisation should help to sustain its moat. The bank also has a strong track record of profitability, delivering around 20% return on equity over the last 10 years. Of course, the stock can be volatile and exposure to Russia carries some geopolitical risk, but at a valuation of around six times our estimate of 2020 earnings and at 1.3 times its tangible book value, we believe Sberbank offers attractive return potential over our long-term investment horizon.

We also think that exaggerated concerns about the future outlook for stocks such as British American Tobacco and Kasikornbank, which were previously in favour and highly-rated, have meant that these companies trade at close to 10 times earnings and with attractive dividend yields.

Attractive discounts can also arise through neglect. Sometimes good companies go through bad cycles, and by the time the cycle bottoms, investors are so fatigued that they lose hope that the company will ever recover. When that capitulation happens, a company can announce mediocre or even bad news and see its price rise because the news was less bad than expected.

Our analysts spend substantial time calculating their estimate of a fair-value multiple for a company, and the subsequent “risk-adjusted” expected return in that company’s respective country and currency. This allows us to compare ideas and ensure that only the most attractive stocks, on a risk and reward basis, are included in the portfolio.

We take a long-term view
We think that taking a longer view plays to our strengths as analysts and as an organisation. While most investors want to focus on the long term, it’s really tough to implement such an approach as they are pushed for one reason or another to focus on shorter time horizons. Given our contrarian approach and long-term horizon, this can create opportunities for us. We often ask ourselves the question, “If you had to buy the stock today, would you wish to own it for 10 years, or even forever?” The long term can be a rather lonely place at times, given most of the market is short-term oriented, but this perspective enables us to assess companies over full market cycles. Our investment in Taiwan Semiconductor Manufacturing Company, which we wrote about last quarter, is a good example. The business has some cyclicality, but its competitive position is so strong that its advantages grow with each cycle, and that is what matters over the long term.

Our long-term approach also improves our ability to engage with management teams. Managers are stewards of their shareholders’ capital, just as we are stewards of our clients’ capital. We therefore want to be sure that we are placing capital with responsible stewards. We start by looking at management’s historical track record. In particular, areas such as compensation, share or options issuance, and related party transactions. We also generally prefer management teams who use outside consultants sparingly or not at all. The best companies come up with good ideas on their own, while it is followers who typically look to consultants for help adopting “best practices”.

We then consider alignment of interests. Managers who are themselves shareholders may be more aligned with our clients’ interests, and may make good capital allocation decisions such as buying back shares when they are undervalued. But it is no guarantee of good decisions, so we must also assess their incentives. We note the recent opportune buybacks by portfolio companies such as Jardine Matheson Holdings and Ayala Corporation, and the recent structural efforts by holding companies Remgro and Naspers to unlock value for shareholders.

To judge a manager’s decisions in the future, it is useful to look at their behaviour in the present. We appreciate managers that are humble, transparent, and forthright with bad news, and we are wary of managers that live ostentatiously, obscure facts about their business, or attempt to spin stories. We place huge importance on integrity and trustworthiness.

These views give us an affinity for owner-managed businesses. Our longstanding investment in Kiwoom Securities, the leading retail brokerage in Korea, is an example of this. The company is controlled by the founding Kim family, who have proven to be good long-term partners for shareholders. Across all Orbis Funds, we own about 10%, making us the largest external shareholder.

We focus on a few things and try to do them very well
We have made a concerted effort to concentrate the portfolio in our best ideas. The Orbis EM Equity portfolio currently holds just 29 stocks (25 if we aggregate holdings from the same company group). The top 10 stocks

Orbis Emerging Markets Equity *(continued)*

accounted for over 60% of the portfolio and the top 20 for around 85%. We make a persistent effort to ensure both that capital is concentrated in our highest-conviction ideas and that our attention is focused on a small number of companies that we understand very well. One way of making this happen in practice is having the discipline of "one stock in, one stock out" in the portfolio. We typically would only wish to buy a new idea if it is attractive enough to replace an existing stock in the portfolio. We also try to resist the urge to over-trade, and we try to focus on being ready when an opportunity arises.

As contrarian investors, we are often buying a stock when there is fear and weakness in the market, and likewise selling a stock when there is greed and strength. In these conditions, we focus on how we are different to the rest of the market, and why a seller is willing to part with the stock. However, from time to time there are stocks that are "one-way" sales. For example, our thesis may be broken, or good performance may narrow the discount between a stock's price and its intrinsic value.

We continue to turn over a lot of stones. This year we have researched over 70 EM companies and bought 5 significant new positions. By applying a disciplined bottom-up process, we can maximise the chances that our stock selections reflect our investment beliefs—and that clients are rewarded for their patience at a testing time.

Commentary contributed by Stefan Magnusson, 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

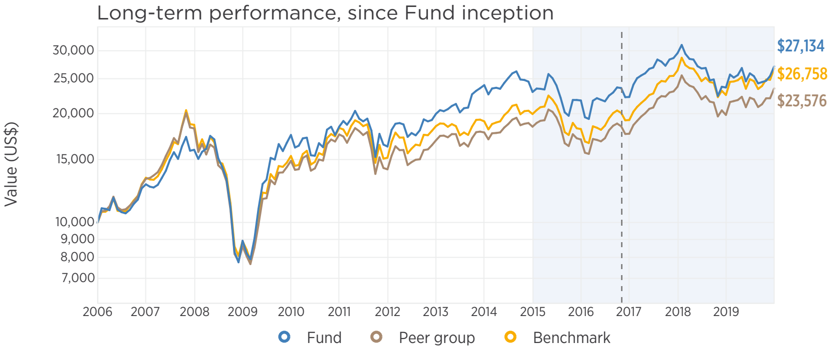
The Fund seeks higher returns than the average of the equity markets of the world's emerging market countries, without greater risk of loss. The benchmark is the MSCI Emerging Markets Index, including income, net of withholding taxes ("MSCI Emerging Markets Index"). Currency exposure is managed relative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

Price	US$25.62
Pricing currency	US dollars
Domicile	Luxembourg
Type	SICAV
Share class	Investor Share Class
Fund size	US$3.1 billion
Fund inception	1 January 2006
Strategy size	US$3.2 billion
Strategy inception	1 January 2016
Benchmark	MSCI Emerging Markets Index
Peer group	Average Global Emerging Markets Equity Fund Index
Minimum investment	US$50,000
Dealing	Weekly *(Thursdays)*
Entry/exit fees	None
UCITS compliant	Yes
ISIN	LU0241795839

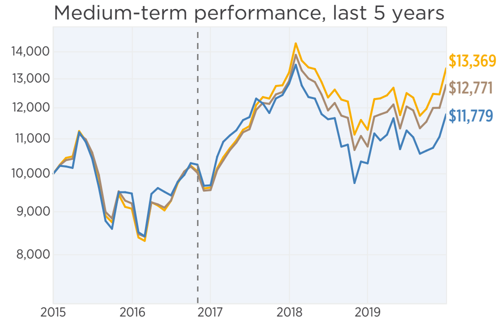
On 1 November 2016, the Fund broadened its investment strategy from Asia ex-Japan equities to Emerging Market equities. To reflect this, the Fund changed its name from the Orbis SICAV Asia ex-Japan Equity Fund to the Orbis SICAV Emerging Markets Equity Fund, its benchmark from the MSCI All Country Asia ex Japan (Net) (US$) Index to the MSCI Emerging Markets Index and its peer group from the Average Asia ex-Japan Equity Fund Index to the Average Global Emerging Markets 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. The performance achieved during this period was in circumstances that no longer apply. Please refer to the prospectus for further details.

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

Long-term performance, since Fund inception



Medium-term performance, last 5 years



Returns[1] (%)

	Fund	Peer group	Benchmark
Annualised	*Net*		*Gross*
Since Fund inception	7.4	6.3	7.3
10 years	4.5	4.7	5.7
5 years	3.3	5.0	6.0
3 years	6.7	10.1	11.6
1 year	14.5	18.5	18.4
Not annualised			
3 months	10.6	10.7	11.8
1 month	6.4		7.5

	Year	%
Best performing calendar year since Fund inception	2009	96.4
Worst performing calendar year since Fund inception	2008	(44.0)

Risk Measures[1], since Fund inception

	Fund	Peer group	Benchmark
Historic maximum drawdown (%)	55	62	62
Months to recovery	20	90	81
Annualised monthly volatility (%)	21.8	20.0	20.6
Beta vs benchmark	1.0	1.0	1.0
Tracking error vs benchmark (%)	7.6	2.6	0.0

Fees & Expenses (%), for last 12 months

Management fee[2]	1.09
For 3 year performance in line with benchmark	*1.50*
For 3 year outperformance/(underperformance) vs benchmark	*(0.41)*
Fund expenses	0.11
Total Expense Ratio (TER)	**1.21**

Geographical & Currency Allocation (%)

Region	Equity	Currency	Benchmark
Europe & Middle East	25	26	10
China/Hong Kong	18	18	34
Korea	14	14	12
Rest of Asia	14	14	7
Africa	10	10	5
Taiwan	7	7	12
Australia	6	6	0
India	1	1	9
Latin America	0	0	11
Other	0	4	0
Net Current Assets	*4*	*0*	*0*
Total	**100**	**100**	**100**

Top 10 Holdings

	MSCI Sector	%
British American Tobacco	Consumer Staples	10.0
NetEase	Communication Services	9.6
Naspers	Consumer Discretionary	7.5
Prosus	Consumer Discretionary	6.6
Newcrest Mining	Materials	6.2
Sberbank of Russia	Financials	5.1
Taiwan Semiconductor Mfg.	Information Technology	4.7
Kiwoom Securities	Financials	4.4
Korea Electric Power	Utilities	4.4
Genting Berhad	Consumer Discretionary	3.1
Total		**61.6**

Portfolio Concentration & Characteristics

% of NAV in top 25 holdings	92
Total number of holdings	29
12 month portfolio turnover (%)	46
12 month name turnover (%)	18
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] Orbis SICAV Asia ex-Japan Equity Fund and its corresponding benchmark and peer group data used for the period prior to 1 November 2016.

[2] 1.5% per annum ± up to 1%, based on 3 year rolling outperformance/(underperformance) vs benchmark.

Orbis SICAV Emerging Markets Equity Fund

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
Inception date	1 January 2006
Number of shares (Investor Share Class)	30,288,583
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 remain continuously invested in, and exposed to all 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.

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.

Since inception, the Fund has outperformed its benchmark net of fees. The Fund will experience periods of underperformance in pursuit of its objective of creating long-term wealth for investors.

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. With respect to the Fund's Investor Share Class, the fee is structured as follows: a fee is charged based on the net asset value of the class. The fee rate is calculated weekly by comparing the class' performance over three years against the MSCI All Country Asia ex Japan (Net) (US$) Index prior to 1 November 2016 and against the MSCI Emerging Markets Index thereafter. 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

For a description of the management fee borne by the Fund's other share classes, please refer to the Fund's Prospectus.

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 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 2019	%	31 December 2019	%
NetEase	10.4	British American Tobacco	10.0
British American Tobacco	9.3	NetEase	9.6
Taiwan Semiconductor Mfg.	6.8	Naspers	7.5
Newcrest Mining	5.6	Prosus	6.6
Naspers	5.3	Newcrest Mining	6.2
Sberbank of Russia	5.0	Sberbank of Russia	5.1
Tencent Holdings	4.9	Taiwan Semiconductor Mfg.	4.7
Prosus	4.5	Kiwoom Securities	4.4
Korea Electric Power	4.2	Korea Electric Power	4.4
Kiwoom Securities	3.9	Genting Berhad	3.1
Total	**60.0**	**Total**	**61.6**

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 Investment Management Limited (licensed to conduct investment business by the Bermuda Monetary Authority)
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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 Depositary 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 on a net asset value basis by share class, normally as of 5:30 pm (Bermuda time) (i) in the case of the Investor Share class, each Thursday (or, if a Thursday is not a business day, the preceding business day), (ii) in the case of the Refundable Reserve Fee Share Classes, the first Thursday of each calendar month and any other Thursday on which an investor transacts in such class (or, if a Thursday is not a business day, the preceding business day), (iii) on the last calendar day of each month (or, if that is not a weekday, the preceding weekday) and/or (iv) any other days in addition to (or substitution for) any of the days described in (i), (ii) or (iii), as determined by the Manager 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

- from the Allan Gray Unit Trust Management (RF) Proprietary Limited's website at www.allangray.co.za,
- from the Orbis website at www.orbis.com,
- by e-mail, by registering with Orbis for this service at the Orbis website at www.orbis.com, and
- from Bloomberg.

Legal Notices

Returns are net of Investor Share Class 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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Clarification on the ability to hold cash, and amendments to the investment restrictions in the prospectuses of the following Orbis Funds; Orbis Global Equity Fund and certain subfunds of the Orbis SICAV, namely the Global Equity Fund, Japan Equity Fund and Emerging Markets Equity Fund.

The amendments, which are expected to come into effect on or before 1 February 2020, subject to regulatory approval where necessary, have two objectives, both of which relate to the Funds' investment approach.

The first is to clarify these Funds' ability to hold cash, as we have already done in the prospectuses of other Orbis Funds. The revised text is clear on this flexibility, which we believe enhances our ability to meet the Funds' investment objectives, which have not changed.

The second concerns these Funds' ability to use exchange-traded derivatives. Presently, the Funds may only buy exchange-traded derivatives. The change will allow the Funds to more effectively manage exposure to stockmarkets by also enabling them to sell those derivatives when we believe it to be consistent with the Funds' investment objectives. Selling exchange-traded derivatives can avoid unintended exposure to stockmarkets when a Fund has experienced redemptions and has not yet raised sufficient cash to pay the redemptions. Implementing this second change required deleting an investment restriction in certain Funds, which prohibited them from using derivatives to reduce exposure to stockmarkets.

Both amendments increase the Funds' ability to lower their long equity exposure in instances where we believe reduced exposure is preferable and consistent with the Funds' investment objectives.

If you have any questions regarding the above, please contact the Orbis Investor Services Team at clientservice@orbis.com.

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 equity securities follows that of third party benchmark providers for comparability purposes. 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. Short-term fixed income instruments 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. Short-term fixed income instruments 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 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.

The total expense ratio has been calculated using the expenses, excluding trading costs, and average net assets for the 12 month period ending 31 December 2019.