

Orbis Japan Equity

Japan is changing.

We've heard it many times, and we've even said it ourselves a few times—prominently in June 2016, and most recently last September when we wrote about the positive changes we had already seen from a number of Orbis Japan's portfolio companies.

The fact is that Japan has been changing, but until this year, progress had been glacial. In recent months, however, an announcement from the Tokyo Stock Exchange (TSE) seemed to light a fire underneath Japanese companies. Helped by Warren Buffett's public enthusiasm for Japan's trading companies, investors are beginning to take notice, and press articles are proliferating.

It's been a long road to this point.

As we wrote in September, Japanese companies have historically not been focused on shareholders. Compared to their counterparts in other developed markets, Japanese companies have earned meagre returns, and have hoarded cash that, elsewhere, would have been returned to investors.

Efforts to improve the Japanese stockmarket began in earnest after the election of the late Shinzo Abe, who in 2013 laid out the structural reform "arrow" of his namesake economic strategy.

The Ito Review, published in 2014, laid the groundwork for many of the initiatives that followed. It did not mince words: "increasing capital efficiency in the broadest sense is crucial from the perspective of Japan's survival." The review took a remarkably frank look at the state of the Japanese stockmarket, flagging corporations' inattention to the cost of capital, and highlighting investor engagement as key to improving the productivity of Japanese companies.

The Ito Review was swiftly followed by the introduction of Japan's Stewardship Code in 2014 and its Corporate Governance Code in 2015.

The former encourages investment managers to act in the interests of their clients and to engage more robustly with investee companies. We support the initiative and have been signatories to the Stewardship Code since 2015. The Corporate Governance Code, revised in 2018 and 2021, aims to improve company performance by disrupting cosy ownership structures, making boards more independent, ensuring fair treatment of shareholders, and increasing transparency.

These policies have greatly improved the quality of Japan Inc.'s investor engagement. As a result, we have witnessed an increasing commitment to dividend growth, minimum pay-outs and share buybacks, and greater investment discipline.

Various other initiatives have been launched since. One intended to remove the tax drag for companies who wish to spin-off business units from conglomerates (this has only been used on two occasions since its introduction in 2017), and others to encourage companies in similar industries to consolidate.

All of these initiatives had, until 2023, been incremental changes, with companies slowly making small moves in the right direction. And for the first time, foreign activist investors were starting to make in-roads into a notoriously closed market that had historically circled the wagons against them.

Yet there were false dawns. The much-hyped JPX-400 Index, which included return on equity and operating profit as criteria for inclusion, nudged a few companies but had little wider impact.

What has happened so far this year feels different.

The most meaningful impact to date came in January and March this year, with a notice from the TSE requiring management teams to "properly identify the company's cost of capital and capital efficiency, evaluate those statuses and its stock price and market capitalization...". The kicker was at the end, where the TSE obliged companies to "...disclose policies and specific initiatives for improvement... **Especially for companies that clearly need to improve, such as those with a PBR (price-to-book ratio) consistently below 1x.**" [Emphasis added.]

For now, this announcement has no real teeth, but in Japan, naming and shaming (known locally as "comply or explain") can have a powerful effect. Going forward, companies that continue to trade below book value

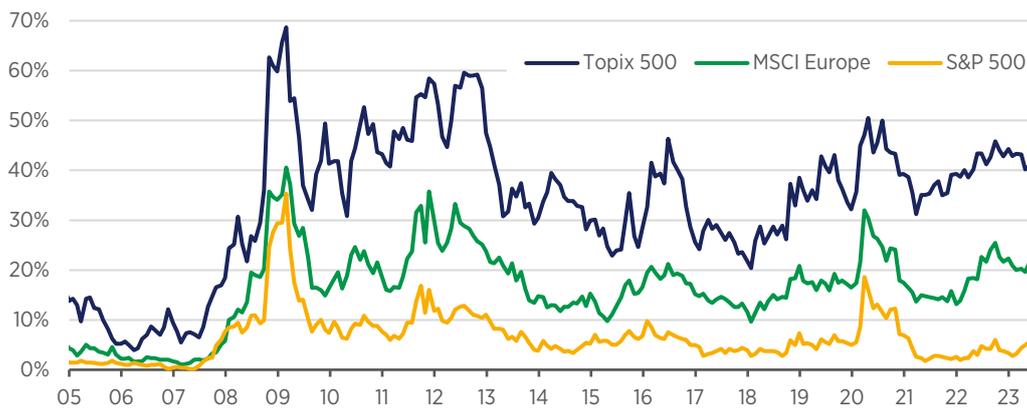
Orbis Japan Equity (continued)

will need to include details in their investor materials explaining their cost of capital and how they intend to improve their lowly valuations.

In many markets, an announcement like the TSE's would have little effect. Most companies globally trade for more than 1.0 times book value, and improving returns on equity by increasing net profits is hard. In Japan, the scope for companies to improve is huge. Unlike the rest of the world, the proportion of companies that trade below their book value is enormous.

Close to 50% of stocks in Japan trade below their book value

% of stocks trading below a price to book ratio of 1.0

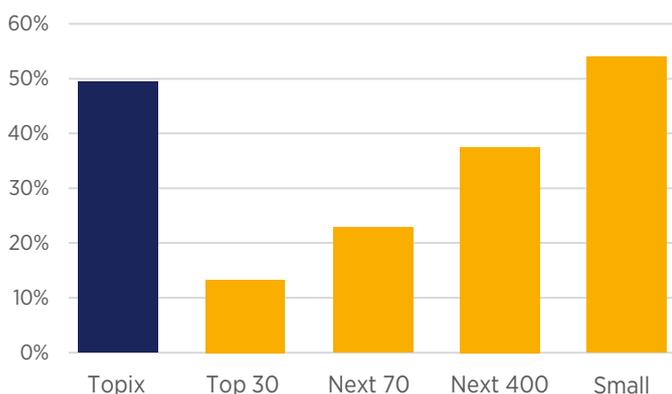


Source: Orbis, Worldscope.

Most of those stocks, however, are small- and mid-caps—not the biggest companies that dominate passive Japan ETFs. So while Japan is improving overall, we think it pays to be selective. Passive investors in ETFs that blindly track the index are likely missing out on the companies with the greatest scope for improvement.

Mid-caps are often cheaper than large-caps...

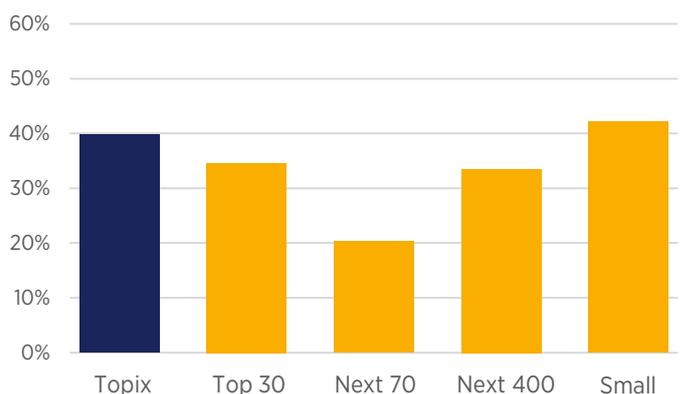
% of stocks trading below a price to book ratio of 1.0



Source: Orbis, Worldscope. Stocks in the Topix have been ranked and grouped by market capitalisation.

...and a significant proportion are cash rich

% of stocks with net cash >20% of equity



And unlike most companies elsewhere, for many Japanese companies the route to a higher price-to-book ratio is straightforward and within their control. Rather than having to grow net profit, many companies can improve their returns on equity simply by returning excess capital.

As discussed, Japanese companies have often hoarded cash, and for companies with decent core businesses, the problem with languishing returns on equity (net profit divided by book value) has been in the denominator. The easy fix is to simply pay out cash to shareholders, either through increased dividends—ideally with a commitment not to cut in the future—or through share buybacks.

Orbis Japan Equity (continued)

The average Japanese company carries almost no debt, unlike international peers

Net debt to equity



For a number of firms, this solution is an obvious one, and we have been astonished at the swiftness with which some have responded. Citizen Watch, a watch and electronics manufacturer, recently announced a 25% buyback of its shares, and others such as Dai Nippon Printing and Ushio have also announced buybacks of over 10% of shares outstanding. In the 12 months to the end of March 2023, the scale of buybacks executed by Japanese companies reached its highest ever level.

With all these signs of change, foreign activists are seeing opportunities to push for similar measures elsewhere, and we expect many other companies to face pressure to follow suit.

In the Orbis Japan portfolio, we’ve already seen early evidence of change, with companies such as T&D, an insurer, Koito, an automotive parts manufacturer, Honda, an automaker, Daiwa House, a homebuilder, and Sumitomo, a trading company, all surprising the market with enhanced shareholder return policies.

We are also witnessing a meaningful shift across the Orbis Japan portfolio in companies reducing their cross-shareholdings. This has been aided by proxy voting advisors, Glass Lewis and ISS, who have recommended voting against the chairs of companies where cross-shareholdings exceed 10% and 20% of a company’s net assets, respectively. With most institutional shareholders now signatories to Japan’s Stewardship Code, they are required to vote their shares, and many simply follow the advice of their proxy advisors. This almost resulted in the dismissal of Fujio Mitarai, the chairman and CEO of camera and printer manufacturer, Canon. The company currently has no women directors—an outlier among large Japanese companies. Mitarai was only just re-approved, on a narrow margin of just 50.6%, after investors and proxy voting advisers raised their concerns around the lack of board diversity. Japan is changing!

We believe that the Orbis Japan Strategy is very well positioned to benefit from these shifting trends. Around half of the stocks in the portfolio (just over 50% of NAV) currently trade below book value, giving the portfolio, in aggregate, a price to book ratio just below 1, and on a lower multiple of earnings than the Topix. Importantly, many companies in the portfolio have piles of excess cash, enormous portfolios of investment securities or cross-

Orbis Japan: similar quality companies at a steep discount

Metrics for Orbis Japan Equity holdings and the TOPIX

| Valuation | Price / book value | Price / earnings* | Dividend yield | Long-term ROATE† |
|-------------|--------------------|-------------------|----------------|------------------|
| Orbis Japan | 0.9 | 9 | 3.2% | 10% |
| Topix | 1.3 | 14 | 2.3% | 11% |

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 average. 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. *IBES forecast forward price to earnings for the next financial year. †The weighted average ROATE over the full available history for the company

Orbis Japan Equity (*continued*)

shareholdings and real estate, that could easily be sold and returned to shareholders as cash, providing a much-needed boost to ROE.

Take oil and gas companies, Japan Petroleum Exploration (Japex) and Inpex, for example. Together, they make up close to 15% of the Orbis Japan Strategy. Both trade at a steep discount—around half their book value—and 5-6 times earnings. In our view, neither are businesses that have fundamental issues that justify these lowly valuations.

Japex currently has 85% of its market value sitting in net cash (85%!), and 50% in investment securities, much of which is in Inpex, which itself we think is undervalued. As a result, we are paying nothing for Japex's core business. Inpex is highly profitable. Last year, the company pumped out cash flows equal to 20% of its current market valuation, powered by its liquefied natural gas project, Ichthys, which had been shunned by the market after years of delays. In our view, both companies could easily improve their valuations by using either their enormous cash pile or their ongoing cash generation to fund higher dividends and increased buybacks.

Yamato Kogyo, a steelmaker and a 4% position in the portfolio, whose capital allocation issues we have also written about previously—back in March 2021—is another example of a company with a huge opportunity to improve its valuation. The stock currently trades at 0.9 times its book value and 6 times earnings, with a dividend yield of 5%. The company has a cash pile worth over 50% of its market value, implying that the underlying business is only valued at 3 times earnings—much too cheap. Again, we see no issue with the core business itself, which is a market leader in producing steel beams for large infrastructure projects, and generates a healthy return on invested capital. Deploying some of their cash pile to fund buybacks or an increased dividend would provide a significant boost to the company's valuation.

After years away, foreign investors are coming back to Japan in increasing numbers. Berkshire Hathaway has steadily increased its holdings in Japan's Trading Companies—industrial conglomerates seen as Japan's "nation builders". Some of these had been significant holdings in the Orbis Japan Strategy just prior to Buffett's first investment. As they have improved shareholder returns, committing to minimum dividends and buying back shares, their share prices have experienced a significant lift. We have since shifted capital to where we have found even better value—in Japan's banks and insurers. Financials now make up around 20% of the Orbis Japan Strategy, trading below their book values, and with even more attractive shareholder returns than in the Trading Companies.

Although recent developments in Japan give us cause for enthusiasm, we don't expect instant gratification, and many management teams remain intransigent. But the tide has turned, and we expect the Japanese market to look very different ten years from today. We are excited about how the Strategy is positioned to capitalise on this long-term tailwind.

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

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.

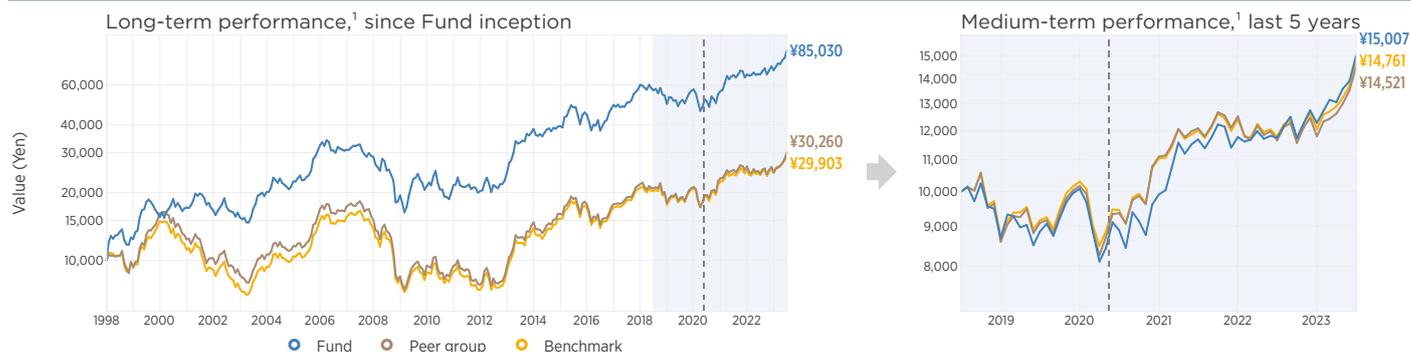
Orbis SICAV Japan Equity (Yen) Fund

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

The Fund is actively managed and 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. It is predominantly exposed to the Japanese yen. The performance fee benchmark ("Benchmark") of the Class is the Tokyo Stock Price Index, including income, net of withholding taxes ("TOPIX (net)").

| | | | |
|--------------------|-------------------|--------------------|---------------------------------|
| Price | ¥8,503 | Benchmark | TOPIX (net) |
| Pricing currency | Japanese yen | Peer group | Average Japan Equity Fund Index |
| Domicile | Luxembourg | Fund size | ¥226 billion |
| Type | SICAV | Fund inception | 1 January 1998 |
| Minimum investment | US\$50,000 | Strategy size | ¥418 billion |
| Dealing | Each Business Day | Strategy inception | 1 January 1998 |
| Entry/exit fees | None | Class inception | 14 May 2020 |
| ISIN | LU2122431245 | UCITS compliant | Yes |

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 | 8.8 | 4.4 | 4.4 |
| 25 years | 7.7 | 4.3 | 4.3 |
| 10 years | 9.8 | 9.1 | 9.6 |
| 5 years | 8.5 | 7.7 | 8.1 |
| | Class | Peer group | Benchmark |
| Since Class inception | 20.7 | 18.2 | 18.1 |
| 3 years | 19.0 | 15.7 | 16.0 |
| 1 year | 27.7 | 24.6 | 25.2 |
| Not annualised | | | |
| Calendar year to date | 22.2 | 23.1 | 22.4 |
| 3 months | 14.8 | 15.0 | 14.4 |
| 1 month | 7.8 | | 7.5 |
| | 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 (%) | 17.8 | 17.9 | 17.2 |
| Beta vs Benchmark | 0.9 | 1.0 | 1.0 |
| Tracking error vs Benchmark (%) | 8.9 | 2.5 | 0.0 |

Fees & Expenses (%), for last 12 months

| | |
|------------------------------------|-------------|
| Ongoing charges | 0.91 |
| Fixed management fee | 0.80 |
| Fund expenses | 0.11 |
| Performance related management fee | 0.54 |
| Total Expense Ratio (TER) | 1.45 |

Sector Allocation (%)

| Sector | Fund | Benchmark |
|--------------------------------|------------|------------|
| Cyclicals | 47 | 35 |
| Consumer Non-Durables | 25 | 25 |
| Financials | 20 | 10 |
| Information and Communications | 5 | 8 |
| Technology | 2 | 21 |
| Utilities | 0 | 1 |
| Net Current Assets | 1 | 0 |
| Total | 100 | 100 |

Top 10 Holdings

| INPEX | Sector | % |
|--------------------------------|------------------------------|-------------|
| Sumitomo Mitsui Trust Holdings | Cyclicals | 9.6 |
| Sompo Holdings | Financials | 5.0 |
| Asahi Group Holdings | Financials | 4.9 |
| Daiwa House Industry | Consumer Non-Durables | 4.6 |
| Toyo Tire | Cyclicals | 4.4 |
| Sumitomo Mitsui Fin. | Cyclicals | 4.2 |
| Japan Petroleum Exploration | Financials | 4.0 |
| TSURUHA Holdings | Cyclicals | 4.0 |
| Sundrug | Consumer Non-Durables | 3.8 |
| Total | Consumer Non-Durables | 3.8 |
| | Total | 48.3 |

Portfolio Concentration & Characteristics

| | |
|---------------------------------|----|
| % of NAV in top 25 holdings | 87 |
| Total number of holdings | 40 |
| 12 month portfolio turnover (%) | 44 |
| 12 month name turnover (%) | 13 |
| Active share (%) | 93 |

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)) | 233,112 |
| 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)”).

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.

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. In addition, the Fund may, to the extent permitted by its investment restrictions, also periodically hold cash and cash equivalents when Orbis believes this to be consistent with the Fund’s investment objective.

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.

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 daily 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’s 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

| 31 March 2023 | % | 30 June 2023 | % |
|--------------------------------|-------------|--------------------------------|-------------|
| INPEX | 9.5 | INPEX | 9.6 |
| Asahi Group Holdings | 5.6 | Sumitomo Mitsui Trust Holdings | 5.0 |
| Sumitomo Mitsui Trust Holdings | 5.2 | Sompo Holdings | 4.9 |
| Sumitomo Electric Industries | 5.0 | Asahi Group Holdings | 4.6 |
| Sumitomo | 4.8 | Daiwa House Industry | 4.4 |
| Japan Petroleum Exploration | 4.4 | Toyo Tire | 4.2 |
| Asahi Kasei | 4.3 | Sumitomo Mitsui Fin. | 4.0 |
| Daiwa House Industry | 3.9 | Japan Petroleum Exploration | 4.0 |
| Sumitomo Mitsui Fin. | 3.9 | TSURUHA Holdings | 3.8 |
| Sompo Holdings | 3.9 | Sundrug | 3.8 |
| Total | 50.5 | Total | 48.3 |

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

Orbis SICAV Semi-Annual Report

This report contains only some of the information included in the semi-annual report of the Orbis SICAV (the “Company”) as at 30 June 2023. The semi-annual report will be available upon request and free of charge at the registered office of the Company within two months following 30 June.

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 Investor Share Class(es), 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. Share prices are calculated for the (i) Standard Share Class(es), (ii) Standard Share Class(es) (A), (iii) Shared Investor Refundable Reserve Fee Share Class(es) and (iv) Shared Investor Refundable Reserve Fee Share Class(es) (A) on a net asset value basis by share class, normally as of 5:30 pm (Bermuda time), (a) each business day and/or (b) any other days in addition to (or substitution for) any of the days described in (a), as determined by the Investment Manager or Manager (as indicated in the Fund’s prospectus) without notice.

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

Share prices, updated every dealing day, are available:

- 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.

Weekly prices can be obtained via e-mail, by registering with Orbis for this service at 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. To the maximum extent permitted by applicable law, 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 Investor Share Class of the Orbis SICAV Japan Equity (Yen) Fund 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: © 2023 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 22 June 2023. 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.

Orbis SICAV Semi-Annual Report

For SICAV funds, this report contains only some of the information included in the semi-annual report of the Orbis SICAV (the “Company”) as at 30 June 2023. The semi-annual report will be available upon request and free of charge at the registered office of the Company within two months following 30 June.

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. Short-term fixed income instruments and net current assets 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.

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, and average net assets for the 12 month period ending 30 June 2023.

Orbis SICAV Funds: The Fund expenses exclude portfolio transaction costs. The performance related management fee becomes payable to Orbis on each Dealing Day as defined in the Funds’ Prospectus.

Additional Notices

This is a marketing communication for the purposes of the Bermuda Monetary Authority’s investment business rules and ESMA guidelines on marketing materials. You should consider the relevant offering documents including the Fund Prospectus and Key Information document (for a SICAV Fund) before making any final investment decisions. These offering documents are available in English on our website (www.orbis.com). Please refer to the respective Fund’s Prospectus for full information on the risks associated with investing.

Investors in a SICAV Fund can obtain a summary of their investor rights in English on our website (www.orbis.com). When investing in the Orbis Funds an investor acquires shares within the Fund and not in the underlying assets held within the Fund. The return of your investment may change as a result of currency fluctuations if the return is calculated in a currency different from the currency shown in this Report.