

Our Thinking

What needs to happen for relative performance to turn?

The most honest but least satisfying answer is that we don't know. We will do well if and when the assets we find undervalued get less cheap and the assets we find overvalued get less expensive.

Not knowing is a fact of life for bottom-up investors. (It is almost enough to make us envy top-down investors with their big macro bets.) All we can say with confidence is that it's not likely to be just one thing. We own several dozen businesses from the thousands available globally, and each company will thrive or struggle for its own reasons. NetEase operates online games in China, where it has no interest in Russian loan rates. Sberbank makes loans in Russia, where it has no interest in Chinese online games. Motorcycle sales matter enormously to Honda Motor, but not at all to Taiwan Semiconductor Manufacturing Company, and AbbVie cares about logistics contracts about as much as XPO Logistics cares about drug trials. When you build the portfolio from the bottom up, each holding has different catalysts.

Our skill is in analysing those individual company drivers. By spending lots of time researching a single business, we believe we stand a good chance of understanding the factors that will influence its intrinsic value over the long term.

But whether a company is set up to thrive or struggle over the long term, market sentiment might vary wildly between despondent and euphoric. Sentiment and fundamentals eventually become close companions, but in the short term, they can be occasional acquaintances at best.

For investors with long-term horizons, often the best catalyst is no catalyst. If you can see a catalyst for a company's performance to turn, other investors can probably see it too, so expectations of a recovery are likely to be reflected in the stock's price, reducing the opportunity to buy the stock at a discount. The same is true of risks. A risk that everyone can see is likely to be reflected in asset prices, making it less dangerous than a risk no one is worried about. It's the bus you don't see that hits you—but it's also the bus you don't see that suddenly turns the corner and gives you a lift home.

Rather than searching for sweeping catalysts, we prefer to keep our focus on the companies held in the portfolios. As we've highlighted in past reports, Orbis Global holds a collection of businesses that trade at a substantial discount to the average global stock, despite having grown revenues more quickly

over the long term. If the businesses in the portfolio execute as we expect, they should grow their intrinsic value, and the market should eventually recognise that value.

If we venture beyond the stock-specific factors we know well, we get into the nebulous realm of macro forces. Here, all we can offer are guesses. Could a change in major trends cause relative performance to turn? A much less useful but perhaps more satisfying answer is that a few things probably wouldn't hurt.

It probably wouldn't hurt if bond yields rose. This might lead to less expensive valuations for stable "bond proxy" stocks like Nestlé and less cheap valuations for companies, like Honda Motor and BMW, with solid fundamentals but well-publicised risks. Similarly, it probably wouldn't hurt if people became less pessimistic about the global economy. As the adage goes, growth does well when growth is scarce, so if the outlook becomes less dour, investors might view cyclical businesses less harshly. And it probably wouldn't hurt if the US and China reached a trade deal. While we think the fundamental impact of the trade war on businesses like NetEase and Tencent is quite small, trade headlines can hurt sentiment and cause share price volatility.

"It probably wouldn't hurt" is as strong a statement as we can make, however. These big trends are not the focus of our bottom-up investment decisions. They appear to be affecting asset prices, but performance could turn without them, and it's possible they could turn without much impact on our performance.

Importantly, these trends do not need to reverse to provide a more constructive backdrop. It might be helpful if they simply stopped. Falling bond yields, for example, have supported ever-richer valuations for "bond proxy" stocks—Nestlé, for example, trades at over 30 times trailing earnings. Should yields simply stop going lower, these expensive shares might cease getting more expensive. Similarly, a truce in the US-China trade war might lift sentiment for some of our Chinese holdings, even though a truce now would leave trade relations in a worse place than they were a year ago.

In short, we aren't counting on a macro catalyst to drive a turn in performance. Rather, if our bottom-up analysis is correct for the companies we hold, we only need two things. One is time, though as ever, we don't know how much. The other is a fair fight on the fundamentals between the undervalued assets we hold and the overvalued assets we don't. It is a fight we relish.

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.

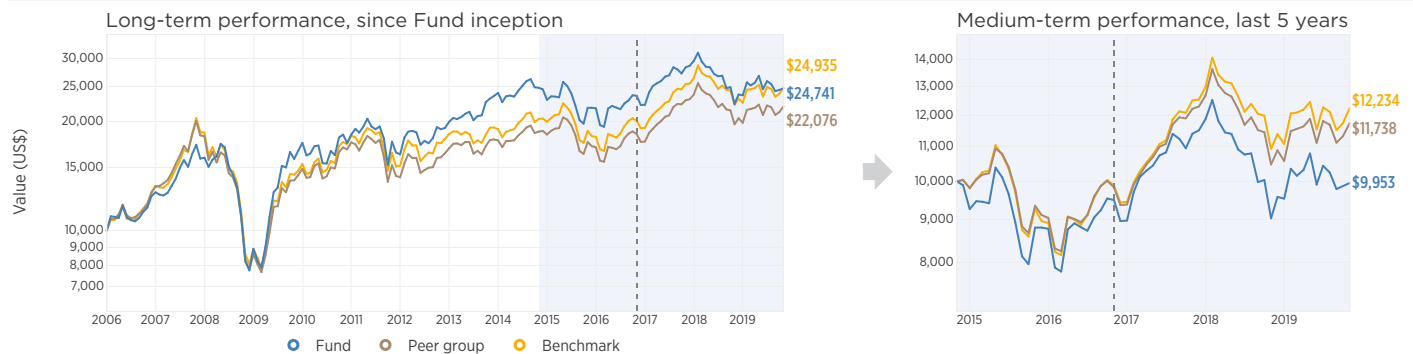
Orbis SICAV Emerging Markets Equity Fund

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\$23.36	Benchmark	MSCI Emerging Markets Index
Pricing currency	US dollars	Peer group	Average Global Emerging Markets Equity Fund Index
Domicile	Luxembourg	Minimum investment	US\$50,000
Type	SICAV	Dealing	Weekly (<i>Thursdays</i>)
Share class	Investor Share Class	Entry/exit fees	None
Fund size	US\$2.9 billion	UCITS compliant	Yes
Fund inception	1 January 2006	ISIN	LU0241795839
Strategy size	US\$2.9 billion		
Strategy inception	1 January 2016		

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



Returns¹ (%)

	Fund	Peer group	Benchmark
Annualised		<i>Net</i>	<i>Gross</i>
Since Fund inception	6.8	5.9	6.8
10 years	4.6	4.8	5.7
5 years	(0.1)	3.3	4.1
3 years	1.6	6.1	7.4
1 year	10.2	12.0	11.9
Not annualised			
Calendar year to date	4.4	11.0	10.4
3 months	(2.9)	0.4	1.0
1 month	0.8		4.2
		Year	%
Best performing calendar year since Fund inception		2009	96.4
Worst performing calendar year since Fund inception		2008	(44.0)

Risk Measures¹, since Fund inception

	Fund	Peer group	Benchmark
Historic maximum drawdown (%)	55	62	62
Months to recovery	20	90	81
Annualised monthly volatility (%)	21.8	20.1	20.7
Beta vs benchmark	1.0	1.0	1.0
Tracking error vs benchmark (%)	7.6	2.6	0.0

Fees & Expenses¹ (%), for last 12 months

Management fee ²	1.12
For 3 year performance in line with benchmark	1.50
For 3 year outperformance/(underperformance) vs benchmark	(0.38)
Fund expenses	0.11
Total Expense Ratio (TER)	1.23

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.

Geographical & Currency Allocation (%)

Region	Equity	Currency	Benchmark
China/Hong Kong	26	26	32
Europe & Middle East	22	23	11
Rest of Asia	14	14	8
Korea	13	13	12
Taiwan	9	9	12
Africa	7	7	5
Australia	6	6	0
India	1	1	9
Latin America	0	0	12
Other	0	1	0
Net Current Assets	1	0	0
Total	100	100	100

Top 10 Holdings

	MSCI Sector	%
NetEase	Communication Services	10.4
British American Tobacco	Consumer Staples	9.4
Taiwan Semiconductor Mfg.	Information Technology	7.5
Newcrest Mining	Materials	5.5
Sberbank of Russia	Financials	5.2
Naspers	Consumer Discretionary	4.8
Prosus	Consumer Discretionary	4.3
Korea Electric Power	Utilities	4.3
Kiwoom Securities	Financials	4.1
Astra International	Consumer Discretionary	3.2
Total		58.6

Portfolio Concentration & Characteristics

% of NAV in top 25 holdings	92
Total number of holdings	32
12 month portfolio turnover (%)	40
12 month name turnover (%)	14
Active share (%)	86

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)	31,139,612
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 (net of fees) has underperformed its benchmark. 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

31 July 2019	%	31 October 2019	%
Naspers	10.3	NetEase	10.4
NetEase	9.9	British American Tobacco	9.4
British American Tobacco	8.0	Taiwan Semiconductor Mfg.	7.5
Taiwan Semiconductor Mfg.	6.6	Newcrest Mining	5.5
Newcrest Mining	5.2	Sberbank of Russia	5.2
Sberbank of Russia	5.0	Naspers	4.8
Tencent Holdings	5.0	Prosus	4.3
Korea Electric Power	4.4	Korea Electric Power	4.3
Kiwoom Securities	4.1	Kiwoom Securities	4.1
Jardine Matheson Holdings	3.9	Astra International	3.2
Total	62.5	Total	58.6

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 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 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 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 Fund that is 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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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 how actively managed the Orbis Equity Funds are. It is calculated by summing the absolute value of the differences of the weight of each individual stock in the specific Orbis Fund, versus the weight of each holding in the respective benchmark index, and dividing by two.

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