

Our Thinking

After a 34% peak-to-trough plunge from mid-February to late March, global equity markets have rebounded sharply over the past two months. This leaves the MSCI World Index down less than 10% since the start of the year, which is a remarkably sanguine outcome amid a pandemic and shutdown of the global economy. As countries begin to reopen, markets will likely remain volatile as investors try to decide which letter of the alphabet the shape of the recovery will resemble.

While these gyrations can appear chaotic, they are simply part of how investors digest new information to form views. Those views are reflected in market prices, so prices also convey information. At every moment in the trading day, we know exactly how much investors are willing to pay for each security in our portfolios. The price tells us everything we need to know about how optimistic or pessimistic the market is about a company's future prospects.

But both optimism and pessimism can be excessive. In our October 2018 commentary, we mentioned Mr Market, Benjamin Graham's famous analogy of an erratic business partner. Each morning, Mr Market will offer to buy your stake of the business, and the price he offers will go up or down depending on his mood. Often his offer will be fair, but sometimes it will be much higher than your assessment of the true value of the business, and sometimes it will be much lower. You can trade with him when it suits you, but you are always free to ignore him.

The same is true with today's stock market. The prices on offer are just one piece of information for us to use or ignore. Sometimes we share the market's optimism, sometimes we don't. But we are neither blindly contrary nor blind followers of Mr Market. We follow our research and make up our own minds.

NetEase is a good example of a case where we agree with the market's optimism. Its shares have risen 25% year-to-date and the stock is among the top performers in several of the Orbis Funds over that period. Mr Market has good reasons for optimism. NetEase is a resilient business with no long-term debt and a cash pile equivalent to nearly 20% of its market value. Its key businesses—games, education, and music—are all delivered online and thus tailor made for whatever the post-pandemic future holds. Despite its strong performance, NetEase remains available at an undemanding valuation. Adjusting for its cash, the company trades at 18 times the earnings of its core games business.

On the other hand, there are many companies where we share the market's pessimism, including most

brick-and-mortar retailers, hyperextended US shale producers, and some of the weaker banks in Europe. Though we have looked for potential bargains, we have come up empty-handed and in full agreement with Mr Market.

But the more interesting cases are those where we disagree with the market. At the moment, this includes consumer staples businesses like Kimberly-Clark and Nestlé. These have done remarkably well in the scramble to load up on household necessities, and not owning them has hurt our relative performance. Still, we struggle to envision a structural uptick in long-term demand for toilet paper and baby food. Perhaps there is some comfort to be found in businesses that have stood the test of time—in this case 148 and 154 years, respectively. But the price one pays for that reassurance is unusually high. As a group, consumer staples shares trade at about 20 times earnings despite lacklustre growth prospects. We'd rather own NetEase.

Our favourite situations, however, are where we disagree with the market's pessimism on a stock. Excessive pessimism can sometimes create the opportunity to buy high quality businesses that aren't normally available at bargain prices. Comcast is one such example. It's a company that we know well, having first owned it in the Orbis Global Equity Strategy some 16 years ago. In February and March, Mr Market knocked \$60 billion off Comcast's value in the space of weeks, in large part due to fears about the closure of its Universal Studios theme parks. While this was hardly welcome news, the parks account for only \$2.5 billion of annual operating income, which is about a tenth of the profit from Comcast's utility-like cable and broadband services. Mr Market offered us Comcast shares at just 12 times earnings—an offer we were happy to accept.

It's during times like these that our investment research capability earns its keep. We have more than 40 analysts globally conducting fundamental research on companies. Going into 2020, Orbis Global Equity held just over 60 companies, but our analysts were actively covering at least another hundred. We like to think of this as our "wine cellar", and we made several trips to the cellar in recent months, establishing new positions in Comcast, Alibaba, and Disney, among others.

As humans, we are hopeful that the world will soon return to normal. As investors, we have no particular insight about the timing or the new definition of "normal". But as partial owners of the businesses held in the Orbis Funds, we are enthusiastic about the opportunities that Mr Market has offered us.

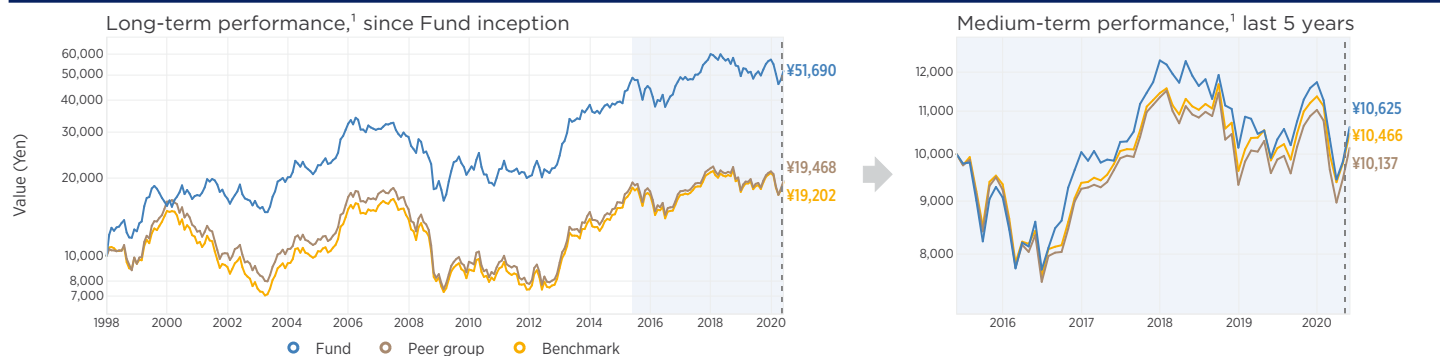
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Orbis SICAV Japan Equity (Yen) Fund

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

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

Growth of ¥10,000 investment, net of fees, dividends reinvested



The Shared Investor RRF Class (A) inception 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	7.6	3.0	3.0
20 years	5.5	1.4	1.9
10 years	8.9	7.8	8.3
5 years	1.2	0.3	0.9
3 years	2.5	1.7	2.3
1 year	7.1	5.8	6.2
Not annualised			
Calendar year to date	(9.5)	(8.1)	(8.0)
3 months	2.7	5.0	4.8
1 month	8.0		6.8
	Class	Peer group	Benchmark
Since Class inception	9.6		8.1
		Year	%
Best performing calendar year since Fund inception		2013	57.0
Worst performing calendar year since Fund inception		2008	(32.4)

Risk Measures¹, since Fund inception

	Fund	Peer group	Benchmark
Historic maximum drawdown (%)	52	59	56
Months to recovery	90	95	93
Annualised monthly volatility (%)	18.2	18.4	17.6
Beta vs Benchmark	0.9	1.0	1.0
Tracking error vs Benchmark (%)	9.3	2.6	0.0

Fees & Expenses¹ (%), for last 12 months

Ongoing charges	1.56
Fixed management fee	1.47
Fund expenses	0.10
Performance related management fee	0.22
Total Expense Ratio (TER)	1.78

Price	¥5,169	Benchmark	TOPIX (net)
Pricing currency	Japanese yen	Peer group	Average Japan Equity Fund Index
Domicile	Luxembourg	Fund size	¥107 billion
Type	SICAV	Fund inception	1 January 1998
Minimum investment	US\$50,000	Strategy size	¥204 billion
Dealing	Weekly (Thursdays)	Strategy inception	1 January 1998
Entry/exit fees	None	Class inception	14 May 2020
ISIN	LU2122431245	UCITS compliant	Yes

Sector Allocation (%)

Sector	Fund	Benchmark
Cyclicals	56	36
Consumer Non-Durables	29	26
Financials	6	9
Information and Communications	5	10
Technology	0	17
Utilities	0	2
Net Current Assets	4	0
Total	100	100

Top 10 Holdings

	Sector	%
Sumitomo Mitsui Fin.	Financials	5.7
Honda Motor	Cyclicals	5.7
Sumitomo	Consumer Non-Durables	5.7
Mitsubishi	Consumer Non-Durables	5.5
KDDI	Information and Communications	4.9
Iida Group Holdings	Cyclicals	4.9
TSURUHA Holdings	Consumer Non-Durables	4.8
Toyo Tire	Cyclicals	4.4
Kubota	Cyclicals	4.3
NGK INSULATORS	Cyclicals	4.1
Total		50.0

Portfolio Concentration & Characteristics

% of NAV in top 25 holdings	90
Total number of holdings	32
12 month portfolio turnover (%)	49
12 month name turnover (%)	22
Active share (%)	89

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 and Fees & Expenses for the period before 14 May 2020 relate 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))	179,630
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)).

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.

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

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.

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 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 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 weekly 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 relative 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.

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.

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 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

29 February 2020	%	31 May 2020	%
Sumitomo	9.1	Sumitomo Mitsui Fin.	5.7
Honda Motor	6.6	Honda Motor	5.7
TSURUHA Holdings	6.6	Sumitomo	5.7
Mitsui & Co	6.0	Mitsubishi	5.5
Sumitomo Mitsui Fin.	6.0	KDDI	4.9
Mitsubishi	5.2	Iida Group Holdings	4.9
INPEX	4.9	TSURUHA Holdings	4.8
Iida Group Holdings	4.5	Toyo Tire	4.4
Kubota	4.4	Kubota	4.3
NGK INSULATORS	4.3	NGK INSULATORS	4.1
Total	57.5	Total	50.0

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

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 (i) Investor Share Class(es), (ii) Shared Investor Refundable Reserve Fee Share Class(es), (iii) Shared Investor Refundable Reserve Fee Share Class(es) (A), (iv) Standard Share Class(es) and (v) Standard Share Class(es) (A) 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.

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; 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:

- by e-mail, by registering with Orbis for this service at the Orbis website at www.orbis.com,
- 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.

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. 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 Orbis SICAV Japan Equity Fund—Yen class 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: © 2020 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 21 May 2020. 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.

Notice regarding appointment of director of Orbis Investment Management Limited (the “Company”)

On 24 April 2020, Graeme Forster completed his term and rotated off the board of directors of the Company. Mr. Forster was replaced by Ashley Lynn, who joins Matthew Furr, Darren Johnston, Anne Marwick, Garth Rempel and Alexander Cutler as an additional director of the Company.

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-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.

The total expense ratio has been calculated using the expenses, excluding trading costs, and average net assets for the 12 month period ending 31 May 2020.