

Our Thinking

As we noted in our August commentary, stockmarket indices often do a poor job reflecting market reality. While benchmarks are indispensable for measuring investment performance, they can be misleading when it comes to understanding the true positioning of a portfolio. That's one of the reasons why we spend so much time emphasising the importance of taking a bottom-up perspective.

As an illustration, our Global Equity Strategy holds shares of three businesses—NetEase, Autohome and Alibaba—that are based in China. Together they account for about 12% of the portfolio versus China's negligible weight in most global indices. In addition, the Orbis Global Equity Strategy also has a 6% position in Naspers. Although based in South Africa—a country that is also barely represented in most global benchmarks—the company's most valuable asset is its stake in a Chinese company (Tencent).

It would be a mistake to conclude that this basket of four stocks reflects a desire to be overweight the Chinese and South African stockmarkets. While we are mindful of the geographic exposures that come with our bottom-up stock selections—and we are careful to avoid taking unintended risks—they are ultimately a consequence of our bottom-up stockpicking decisions.

It would also be a mistake to rely entirely on sector classifications. NetEase is primarily an online video game company, but it also has exciting new businesses in online education and a music streaming service that is akin to Spotify. Autohome is an online platform where consumers can find their next car and dealers can connect with them. Alibaba has much in common with Amazon in the sense that both are leading online retailers and also big players in other businesses such as cloud computing. Tencent is perhaps best known for its ubiquitous WeChat app, but it is also a leading player in online games, payments, and cloud computing.

Clearly, none of these businesses would be possible without extensive use of technology. But they could just as easily be put into other buckets such as entertainment, retail or communications. Indeed, none of them belong to the "Information Technology" sector as officially defined by MSCI—one of the leading index purveyors. And that's perfectly fine with us. As partial owners of each business, we are far more interested in the fundamental characteristics that they offer rather than their sector membership status.

From that perspective, we are excited about the technology-related stocks that accounted for about 25% of the Orbis Global Equity Strategy at the end of October. These stocks are those mentioned above as well as two of the US technology giants (Facebook and Google) and Taiwan Semiconductor Manufacturing Corp (TSMC)—the world's leading semiconductor maker. We did not include Comcast and Disney on this list, but technically they are in the same MSCI sector as NetEase. Doing so would bring the total exposure to technology-related stocks to nearly 30% of the Global Equity Strategy.

Orbis Tech vs the Heady Hundred and FANGAMs: lower prices, faster growth, and higher margins

Weighted median valuation and fundamental characteristics

	Price / revenue	Price / earnings ¹	Revenue growth ²	Profit margin ³
Orbis Tech	6.8	21	30%	36%
FANGAMs	7.2	27	20%	28%
The Heady Hundred	11.5	41	12%	20%

Source: Capital IQ, Orbis. Stocks included in Orbis Tech are NetEase, Naspers, TSMC, Autohome, Facebook, Alibaba, Largan Precision, Google (Alphabet) and one new position greater than 1%.

The FANGAMs are Facebook, Amazon, Netflix, Google, Apple, and Microsoft.

The Heady Hundred are the 81 FTSE World Index constituents with higher price-to-revenue valuations, slower revenue growth, and lower profit margins than the weighted medians of the FANGAMs.¹ Using Capital IQ consensus estimates for 2021 earnings.² Compound annualised revenue growth over the past 10 years.³ Average operating profit margin over the past 10 years.

As a group, the "Orbis Tech" stocks have superior fundamentals and—most importantly—are available at what we believe to be attractive valuations at a time when there are abundant signs of froth in some areas of the market. In particular, when compared to the "Heady Hundred", the Orbis Tech cohort is about 50% cheaper on a price-to-earnings basis, yet has delivered revenue growth that is more than twice as fast and profit margins that are almost twice as high.

Hopefully this illustration drives home the point that sectors like technology—or whatever you choose to call it—can be ideal for bottom-up stock selection. Rather than being forced to buy expensive shares simply because they belong to a certain benchmark or missing a great investment idea because it's not included, we have the freedom to go wherever the opportunities are most compelling.

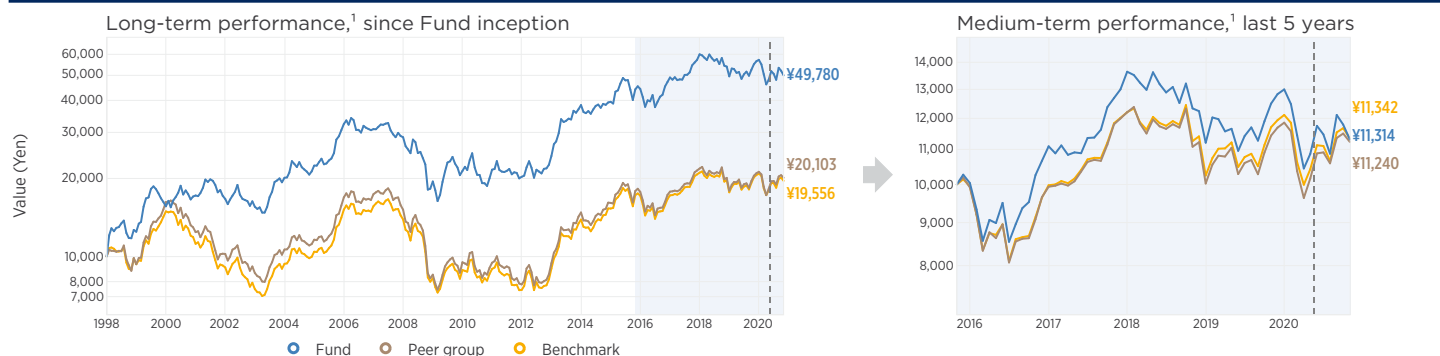
This report does not constitute a recommendation to buy, sell or hold any interests, shares or other securities in the companies mentioned in it nor does it constitute financial advice.

Orbis SICAV Japan Equity (Yen) Fund

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

The Fund is 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) 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	7.3	3.1	3.0
20 years	5.7	2.1	2.5
10 years	10.3	9.0	9.2
5 years	2.5	2.4	2.5
3 years	(3.7)	(1.6)	(1.4)
1 year	(9.4)	(1.7)	(3.1)
Not annualised			
Calendar year to date	(12.9)	(5.1)	(6.3)
	Class	Peer group	Benchmark
Since Class inception	5.5	11.9	10.1
3 months	4.0	6.1	6.3
1 month	(4.0)		(2.8)
	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 (%)	18.3	18.3	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	1.27
<i>Fixed management fee</i>	1.17
<i>Fund expenses</i>	0.09
Performance related management fee	0.09
Total Expense Ratio (TER)	1.36

Price	¥4,978	Benchmark	TOPIX (net)
Pricing currency	Japanese yen	Peer group	Average Japan Equity Fund Index
Domicile	Luxembourg	Fund size	¥87.3 billion
Type	SICAV	Fund inception	1 January 1998
Minimum investment	US\$50,000	Strategy size	¥180 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
Consumer Non-Durables	43	25
Cyclicals	38	36
Information and Communications	11	11
Financials	7	9
Technology	0	19
Utilities	0	1
<i>Net Current Assets</i>	2	0
Total	100	100

Top 10 Holdings

	Sector	%
Sumitomo Mitsui Fin.	Financials	6.7
Asahi Group Holdings	Consumer Non-Durables	6.0
Mitsubishi	Consumer Non-Durables	5.9
Iida Group Holdings	Cyclicals	5.8
KDDI	Information and Communications	5.1
Honda Motor	Cyclicals	5.0
Nippon Telegraph and Telephone	Information and Communications	5.0
TSURUHA Holdings	Consumer Non-Durables	5.0
Mitsui & Co	Consumer Non-Durables	4.7
Sugi Holdings	Consumer Non-Durables	3.9
Total		53.1

Portfolio Concentration & Characteristics

% of NAV in top 25 holdings	94
Total number of holdings	31
12 month portfolio turnover (%)	65
12 month name turnover (%)	31
Active share (%)	91

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))	161,554
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 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 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 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 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 July 2020	%	31 October 2020	%
KDDI	6.8	Sumitomo Mitsui Fin.	6.7
Sumitomo Mitsui Fin.	6.4	Asahi Group Holdings	6.0
Honda Motor	6.1	Mitsubishi	5.9
Iida Group Holdings	5.8	Iida Group Holdings	5.8
Mitsubishi	5.5	KDDI	5.1
Sumitomo	5.3	Honda Motor	5.0
Kubota	5.0	Nippon Telegraph and Telephone	5.0
Nippon Telegraph and Telephone	4.9	TSURUHA Holdings	5.0
Mitsui & Co	4.2	Mitsui & Co	4.7
TSURUHA Holdings	4.1	Sugi Holdings	3.9
Total	54.2	Total	53.1

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; redemption requests from an Orbis Fund that is an Orbis SICAV Fund must be submitted by 5:30 pm; requests to switch from an Orbis Fund that is not an Orbis SICAV Fund to a different Orbis Fund that is also not an Orbis SICAV Fund must be submitted by 12 noon; requests to switch from an Orbis SICAV Fund into a different Orbis Fund that is not an Orbis SICAV Fund must be submitted by 5:00 pm; requests to switch from an Orbis Fund that is not an Orbis SICAV Fund to a different Orbis Fund that is an Orbis SICAV Fund must be submitted by 12 noon; and requests to switch from an Orbis Fund that is an Orbis SICAV Fund to a different Orbis Fund that is also an Orbis SICAV Fund must be submitted by 5:30 pm. All times given are Bermuda time, and all requests must be properly completed and accompanied by any required funds and/or information.

Share prices, updated weekly, are available:

- 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 22 October 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.

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, currency and Emerging Market classification for securities follows that of third-party providers for comparability purposes. Emerging Markets includes Frontier Markets. 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. Cash and cash equivalents 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. Cash and cash equivalents 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, for the 12 month period ending 31 October 2020.