

Orbis Japan Equity

Not since October 1987 in the aftermath of the Black Monday stockmarket crash had Japanese stocks seen a worse day. Worse than any during the 2008 global financial crisis, and worse even than any following the Fukushima tsunami and nuclear accident in 2011 when more than 18,000 people lost their lives and 150,000 were evacuated from their homes.

For sheer market panic, every event in the last 35 years was eclipsed on the 5th of August 2024, when the Japanese market plunged over 12% in a single day. The culprits? The Bank of Japan (BoJ) raising interest rates to a lofty 0.25%, and some weak jobs data in the US.

That day now feels like a distant memory, and the market would appear to agree, with the Topix having recovered. It's clear, then, that the market drop was not driven by fundamentals. So what happened?

The market was slammed by the partial unwinding of an almighty carry trade. For years, borrowing in yen to buy assets in other currencies had been lucrative. While interest rates rose elsewhere, they stayed at rock-bottom levels in Japan, making it cheap to borrow and sell yen to buy currencies with higher local interest rates. All that yen selling drove the currency to epic lows, and yen weakness made the carry trade both more comfortable and more profitable.

The carry trade was blown apart by the rate increase in Japan and the prospect of rate cuts in the US. A narrower spread between American and Japanese interest rates boosted the yen, and a strengthening yen kills the carry trade. As traders rushed to buy back yen to cover their losses, the currency strengthened versus the dollar by 7% over 5 days, its most rapid gain since the financial crisis. Yen strength is normally bad news for a Japanese stockmarket filled with exporters. Some investors were spooked, others were forced to exit leveraged positions, and the market sold off in dramatic fashion.

While we watched the episode unfold with keen interest, we don't spend our time trying to predict the day-to-day movements in the market. But amid the volatility, there are some clear signs that fundamental shifts are underway in Japan.

The BoJ's rate hike was small, but it signalled the bank's intent to end Japan's era of zero or even negative interest rates. It's easy to understand their rationale. Rates follow inflation, and for decades, inflation in Japan had been non-existent. This now looks to be changing—price increases are running above 2% per annum and Japan's unions recently secured their largest wage increase for members in over 30 years in the annual 'Shunto' negotiations.

As such, rates in Japan are now at their highest level since 2008. And while Japan is at the start of its rate hiking journey, the US and Europe are eyeing the path back down rate mountain.

That has been helpful for the yen, which has strengthened somewhat in recent months. We believe it is still much too cheap and unlikely to stay so for the long run. On a purchasing power parity basis—using the price of a similar basket of goods to compare the relative strength of currencies—the yen trades at around a 40% discount to the US dollar. Against a broader basket of global currencies, the yen is near its weakest inflation-adjusted level in over 60 years.

A weak currency benefits Japan's numerous exporters, as foreign earnings are worth more in yen. In recent years, it's therefore little surprise that domestic shares have lagged high-earning exporters. In our view, however, domestic earnings are much higher quality than those of exporters whose profits have been inflated enormously by the currency.

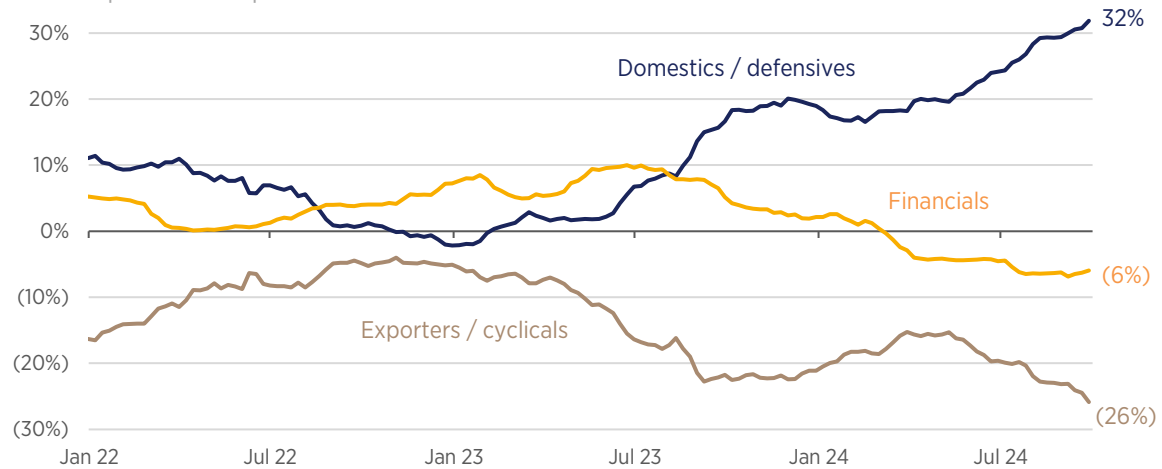
Should the yen continue to strengthen as we expect, the massive tailwind that exporters have enjoyed from the weak currency will turn to a headwind and domestic shares should outperform, as they have done in more recent weeks. Helpfully, many of them also have more appealing valuations.

We are not macro investors, and we do not build the portfolio from the top down. But we are mindful of the macro, and when things are as extreme as the yen has been recently, we are attentive to the risks of a reversal. It should therefore come as no surprise to longstanding investors that we have increased our exposure to Japan's domestically-oriented companies, which are far better placed to weather a strengthening of the yen. Examples include drugstores, staffing and recruitment companies, real estate and construction firms, and GMO Internet Group, a recent addition to Orbis Japan's top holdings.

Orbis Japan Equity (*continued*)

Domestically-oriented shares in Japan look increasingly attractive

Orbis Japan's net exposures vs the TOPIX



Source: LSEG Datastream, Orbis. Statistics are compiled from an internal research database and are subject to subsequent revision due to changes in methodology or data cleaning. "Domestics/defensives", "Exporters/cyclicals", and "Financials" include constituents of 11, 18, and 4 sectors within the TOPIX, respectively, that display those characteristics. Weights shown are for a representative account of the Orbis Japan Equity Strategy.

As well as the Japanese drugstores we have discussed previously, we are finding attractive shares in Japan's staffing and recruitment companies—the likes of Persol Holdings, Meitec Group Holdings and Technopro Holdings. Japan's unemployment rate has been below 3.5% for much of the past decade and has even dipped as low as 2.2%. In a country where the population size is shrinking, this means an increasingly tight labour market where companies are more willing to pay up to keep employees. Our staffing and recruitment companies look well placed to help alleviate some of this tightness and should benefit in an environment where wages are increasing.

We also see attractive opportunities in Japan's real estate and construction sector, with companies like Daiwa House Industry and Haseko temporarily falling out-of-favour due to short-term cost pressures that belie their strong competitive positions. Similarly, property developer Mitsubishi Estate trades at a rock-bottom valuation despite its portfolio of high-end office buildings in central Tokyo.

Japan's internet and media sectors are another area where we've found compelling domestically-oriented opportunities such as Nippon Television Holdings, CyberAgent, and GMO Internet.

GMO Internet was founded in its current guise in 1995 as a provider of internet access services by Masatoshi Kumagai—who continues to lead the company today. Under the mission of 'Internet for Everyone', GMO has expanded to become a dominant player in the essential plumbing that underpins Japan's internet economy. Since its IPO in 2000, GMO has established an impressive track record in which revenue and profits have grown, on average, at more than 16% per year while maintaining an average return on equity of 20%.

While GMO is a complex business—there are over 100 group subsidiaries—we believe long-term investment returns will be determined by three key businesses. First, GMO Payment Gateway, its electronic payments business. Second, a collection of internet infrastructure services businesses. And third, GMO Financial Holdings, which provides a foreign currency trading platform to service Japan's vast number of retail FX traders.

Let's start with the crown jewel, GMO Payment Gateway (GMO PG), which is Japan's leading payment service provider. This business accounts for around 40% of net profits. Backed by powerful structural tailwinds, such as the rise of e-commerce and increasing penetration of cashless transactions, GMO PG has chalked up one of the most impressive track records among Japanese listed companies, growing its revenue and profit at an average of over 25% per annum since its listing in 2005. With cashless penetration in Japan still only around 40% compared to 60% in many developed country counterparts (and the government targeting over 80% in the longer-term), and e-commerce penetration in Japan standing only at 9% compared to a global average of around 20%, there's still ample room for future growth.

Orbis Japan Equity (*continued*)

As the payment provider with the largest scale, GMO PG has been a continual market share gainer. Japan's payments industry is extremely complex—there are a staggering 30 payment methods, going well beyond simple credit cards—which has been a deterrent for international peers. Management's execution has been outstanding under founder Issei Ainoura who continues to identify exciting new business opportunities beyond the company's past focus on e-commerce, most notably offline payments and business-to-business payments, both of which are huge markets with untapped potential.

Originally a wholly-owned subsidiary, GMO Internet now owns 41% of separately listed GMO PG. The payments business has historically traded at lofty valuations on the back of confidence that the company can continue its remarkable growth going forward. Today, the valuation means that the value of GMO's stake is worth ¥272bn—larger than GMO Internet's own market value of ¥266bn. An investment in GMO Internet therefore lets you access Japan's leading payment provider at a discount while paying little for the other 60% of earnings.

That brings us to the second group of key businesses, which account for 30% of earnings. These include unglamorous but essential infrastructure services including internet domains, internet service providers, website hosting, web security and e-commerce support. GMO is the local market leader in all these areas, which come with recurring revenue that can grow at high single-digit annual rates. Electronic signatures and cybersecurity are new growth areas, as broader swathes of Japan accelerate efforts to digitalise. These businesses might not have the glamour of electronic payments but generate growing recurring revenue with relatively high switching costs, and GMO's existing customer base of 15 million enables effective cross-selling of incremental new services.

Lastly, the final 30% of GMO's earnings comes from its 66% stake in GMO Financial Holdings, Japan's leading internet-based foreign currency trading exchange. Profits here too have risen over time by mid-single digits on average, but the ride has been bumpy. In particular, a disastrous foray into securities trading in Thailand resulted in large write-offs for bad debt. The problematic Thai business is being wound down at the end of this year, but there could be some further pain to come.

Uncertainties related to its financial trading subsidiary have left GMO Internet trading at only 12 times normalised earnings. We think this is a highly attractive price to pay for a company with strong underlying growth drivers. GMO's payments business should continue to grow profits by at least 20% per year, as it has done since 2005. Its collection of other market-leading internet infrastructure services businesses should also continue to grow nicely, at around 10% per year in aggregate. While profits may continue to be lumpy in the short run for GMO Financial Holdings, the business should continue to steadily grow. All in, we expect GMO Internet can grow its annual net profits by at least 10%.

But we suspect earnings per share should be able to grow even faster for two reasons. First, GMO Internet has an ongoing long-term share buyback program in which it has committed to buy back a further ~25% of its shares outstanding over the medium to long term. Second, the current market valuation ignores the optionality from any new ventures incubated within GMO's highly entrepreneurial culture. Founder Kumagai's track record has not been without blemishes, but his distinctive thinking, willingness to challenge orthodoxy and long-term mindset are unusual attributes in Japan.

Across the drugstores, staffing companies, land developers, media companies, and GMO Internet, we believe our domestically-oriented shares are both attractively priced and risk-reducing in the event of a strengthening yen. While we cannot predict where the market or currency will go over the short term, the yen offers compelling value, and corporate Japan offers compelling signs of operational improvement. Putting that together we believe the portfolio is well positioned for whatever the market throws at us.

Commentary contributed by Alex Bowles, Orbis Portfolio Management (Europe) LLP, London

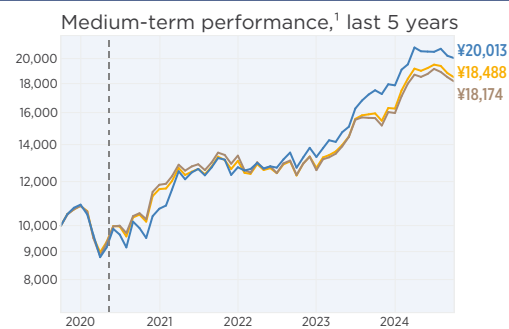
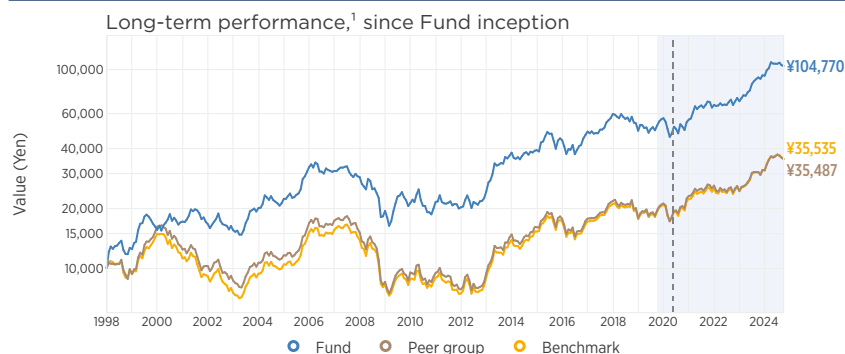
This report does not constitute a recommendation to buy, sell or hold any interests, shares or other securities in the companies mentioned in it nor does it constitute financial advice.

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)").

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	9.2	4.8	4.9
25 years	7.4	3.8	4.1
10 years	10.5	8.9	9.5
5 years	14.9	12.7	13.1
Class	Peer group	Benchmark	
Since Class inception	20.0	16.8	17.2
3 years	14.8	10.3	11.6
1 year	14.3	16.4	16.2
Not annualised			
Calendar year to date	11.9	14.0	13.9
3 months	(2.5)	(5.0)	(5.0)
1 month	(0.9)		(1.7)

	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 (%)	17.6	17.6	16.9
Beta vs Benchmark	0.9	1.0	1.0
Tracking error vs Benchmark (%)	8.8	2.5	0.0

Fees & Expenses (%), for last 12 months

Ongoing charges	0.91
<i>Base fee</i>	<i>0.80</i>
<i>Fund expenses</i>	<i>0.11</i>
Performance fee/(refund)	(0.77)
Total Expense Ratio (TER)	0.14

As at 30 Sep 2024, performance fees of 0.9% of the Class' NAV were available for refund in the event of subsequent underperformance.

Price	¥10,477	Benchmark	TOPIX (net)
Pricing currency	Japanese yen	Peer group	Average Japan Equity Fund Index
Domicile	Luxembourg	Fund size	¥284 billion
Type	SICAV	Fund inception	1 January 1998
Minimum investment	US\$50,000	Strategy size	¥508 billion
Dealing	Daily	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	45	25
Cyclicals	34	34
Financials	7	12
Technology	6	20
Information and Communications	6	8
Utilities	0	1
<i>Net Current Assets</i>	<i>3</i>	<i>0</i>
Total	100	100

Top 10 Holdings

	Sector	%
Asahi Group Holdings	Consumer Non-Durables	9.7
Sundrug	Consumer Non-Durables	5.8
Sugi Holdings	Consumer Non-Durables	5.4
TSURUHA Holdings	Consumer Non-Durables	5.4
Daiwa House Industry	Cyclicals	5.1
Kubota	Cyclicals	4.9
Mitsubishi Estate	Cyclicals	4.7
GMO Internet Group	Information and Communications	4.2
Koito Manufacturing	Technology	3.4
HASEKO	Cyclicals	3.2
Total		51.7

Portfolio Concentration & Characteristics

% of NAV in top 25 holdings	84
Total number of holdings	43
12 month portfolio turnover (%)	52
12 month name turnover (%)	18
Active share (%)	92

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))	321,642
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

30 June 2024	%	30 September 2024	%
Asahi Group Holdings	9.5	Asahi Group Holdings	9.7
Kubota	5.3	Sundrug	5.8
Sundrug	5.2	Sugi Holdings	5.4
Koito Manufacturing	5.0	TSURUHA Holdings	5.4
TSURUHA Holdings	4.8	Daiwa House Industry	5.1
Sugi Holdings	4.4	Kubota	4.9
INPEX	3.6	Mitsubishi Estate	4.7
GMO Internet Group	3.6	GMO Internet Group	4.2
T&D Holdings	3.5	Koito Manufacturing	3.4
Honda Motor	3.3	HASEKO	3.2
Total	48.3	Total	51.7

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 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

TOPIX: JPX Market Innovation & Research, Inc. TOPIX hedged into US\$ and euro are 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: © 2024 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 19 September 2024. 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 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. Cash, cash equivalents and short-term government securities 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.

Active share is a measure of the extent to which the holdings of the Orbis Equity and Balanced 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 Balanced 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 Balanced 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 September 2024.

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.