Orbis Global Balanced

The Orbis Global Balanced Strategy has delivered moderate positive returns year-to-date, outpacing its benchmark, but that year-to-date performance obscures month-to-month differences. In March, the Strategy participated in broader market declines. While we care deeply about relative performance, the absolute decline this month is real, and is not pleasing.

Parsing dates for performance raises a question, because it is hard to delineate the start of well-anticipated events such as this one. When did the Iran conflict actually start—was it the day missiles first flew, or was it weeks before, when the marshalling of US military equipment started? The USS Gerald Ford aircraft carrier set sail for the Middle East six weeks ago. As the US military presence grew, oil- and gas-related securities outperformed, including the currencies of major exporters such as Norway, Australia, and Brazil. Global Balanced participated more-than-fully in that outperformance, but, frustratingly, did not outperform in March.

It would be wonderful if we could predict both world events and their timing. Armed with that dual prescience, we could design the perfect fear portfolio for a specific risk—a short or long Iran War, an open or closed Strait of Hormuz, an invasion of Taiwan, a global recession, a credit crunch, a fiat currency collapse, you name it. We could hunt black swans.

Sadly, we lack that prescience, so targeting a specific scenario would mean carrying holdings that are poorly suited to much more likely environments, accumulating subpar returns while waiting around for The Big One. Investors who do this wind up providing clients with a "stopped clock" portfolio that's very wrong the vast majority of the time, but occasionally very right. That pattern makes for great marketing materials when the feared thing hits, but typically at the expense of clients' long-term returns.

Of course, this is the flip side of a greed portfolio filled with investments that are highly levered to some popular theme. Greed portfolios are far more common, and we also avoid those.

What we can do is work hard to create moderate and lower risk portfolios. We don't know which scenarios will come to pass, or when. But we can consider those scenarios, analyse them, and incorporate this analysis into our assessment of individual securities and their portfolio weighting. For example, we started buying oil and gas producers in the British North Sea last summer. We did so chiefly because they were very undervalued, and also because we saw increasing pressure on the UK government to repeal its counterproductive windfall profits tax, in keeping with our pyramid of needs and energy security views. A secondary benefit of holding the North Sea producers was their likely positive response to an attack on Iran which was becoming increasingly likely.

While it is exciting to think about "fat tail" scenarios—and we do discuss them—our day job is to find securities trading for far less than they are worth under a broad spectrum of economic, geopolitical, and investing environments, and then constantly adjust them to maintain a portfolio that we believe is likely to produce superior long-term returns with no greater risk than our benchmark.

Whether or not our portfolios outperform over the specific dates for some bearish event is very much out of our hands. As value investors, the pattern we see often unfolds in three stages. First, our portfolios outperform as anticipation of an event builds. Then, deaf to our grumbles, they underperform when the event actually hits, as "risk off" investors seek whatever assets feel most comfortable. Then, finally, the dust settles and the portfolios resume outperformance. It doesn't always happen that way, and each scary event is different, but that's the devil we know.

As we're never sure of the timing, we are constantly looking for investments that can display relative strength in times of turmoil owing to their inherent and fundamental strengths—those with low expectations, strong balance sheets, positive cash flows, and sound governance. We do not seek investments for their past behaviour based on "factors" or correlations, and sometimes this sets up an awkward and frustrating performance profile during "risk off" events. The events currently unfolding in Iran serve as a good and timely example.

As my fellow portfolio manager Mark describes in the Cautious commentary, we have been building material positions in the Australian dollar, Norwegian krone, and Brazilian real. That is firstly owing to them being materially undervalued, and secondly because of the superior yields on offer via their sovereign bonds. But the third attraction—and important to us given the state of the world and our conviction in national pendulums swinging toward self-reliance—is their resource wealth. These attributes should have held these bonds and currencies in very good stead when the Iran conflict broke out, and especially once the Strait of Hormuz

Orbis Global Balanced *(continued)*

was closed. They had all been strong in the lead-up to hostilities, as the expectation for conflict ramped up with each US military asset moved into the theatre. But when fighting broke out, all three sets of bonds and currencies sold off materially against the US dollar.

Why?! Well, Mr Market shifted into “factor mode”. In times of stress, when events on the ground are most complex, the market ironically seeks simplification. It tends to do this by leaning heavily on heuristics and factors. The primary heuristic employed in this case was THIS IS SCARY + AVOID ENERGY IMPORTERS = HIDE IN US DOLLARS. Once this die is cast, the factors kick in, enforced by big quantitative investing models and amplified by momentum. In this case, factors dictated: US DOLLAR UP = ALL OTHER CURRENCIES DOWN. As leaning on heuristics is much easier than assessing the relative merits of things, the indiscriminate nature of the moves is the market’s equivalent of shooting first and asking questions later. Despite the fact that Australia, Norway, and Brazil are well positioned for this specific geopolitical event, their currencies sold off just as hard as the currencies, like those of Korea and Japan, that are poorly positioned.

Gold was caught in the same game. Perhaps more aggravating, gold has just as strong a heuristic case as the US dollar of being the safe haven asset to hold. But with bond yields rising and the dollar strengthening, the factors part of the process dictated reflexively selling gold. DOLLAR STRONG + YIELDS UP = SELL GOLD. It did not help that gold had been a strongly favoured asset in the months preceding the conflict, and became the thing that held up and could be liquidated to make margin calls. While it remains to be seen, when the market shifts to “ask questions”, we should not be surprised if gold’s safe haven credentials reappear in prices.

Times of crisis and their induced market sell-offs are inherently unstable and unpredictable, and this is especially true for wars, where many non-financial actors have a say in what happens next. As the Iran conflict continues to unfold, financial markets may well flip between “shoot first” and “ask questions” multiple times. Each time, the list of perceived safe havens may change. Predicting whether heuristics will continue to favour the US dollar above all else, or flip to gold, or bonds, or consumer staples, or utilities, is not the game we are good at. Instead of trying to nail the mercurial heuristics, we will continue to focus on “asking questions”, challenging the fundamentals and valuations of what’s holding up best in the portfolio, and taking advantage of overshooting market reactions to add where short-term prices move far below long-term intrinsic value. Our focus is on maintaining portfolios that we believe are most likely to outperform the Strategy’s benchmark with no greater risk of loss.

Commentary contributed by Alec Cutler, Orbis Investment Management Limited, Bermuda

Orbis SICAV
Global Balanced Fund

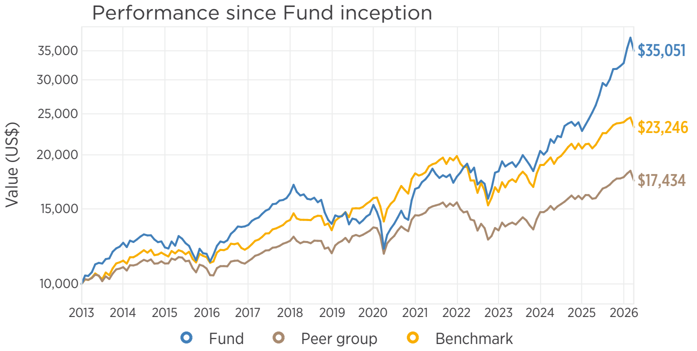
Investor Share Class

The Fund is actively managed and seeks to balance investment returns and risk of loss with a diversified global portfolio of equity, fixed income and commodity-linked instruments. It aims to earn higher long-term returns than its benchmark ("Benchmark"), which is comprised of 60% MSCI World Index with net dividends reinvested and 40% JP Morgan Global Government Bond Index ("JPM GBI"), (together, "60/40 Index") each in US dollars.

Price	US$34.85
Pricing currency	US dollars
Domicile	Luxembourg
Type	SICAV
Fund size	US$6.9 billion
Fund inception	1 January 2013
Strategy size	US$9.9 billion
Strategy inception	1 January 2013

Benchmark	60/40 Index
Peer group	Average Global Balanced Fund Index
Minimum investment	US$50,000
Dealing	Weekly *(Thursdays)*
Entry/exit fees	None
UCITS compliant	Yes
ISIN	LU0891391392

Growth of US$10,000 investment, net of fees, dividends reinvested



Returns (%)

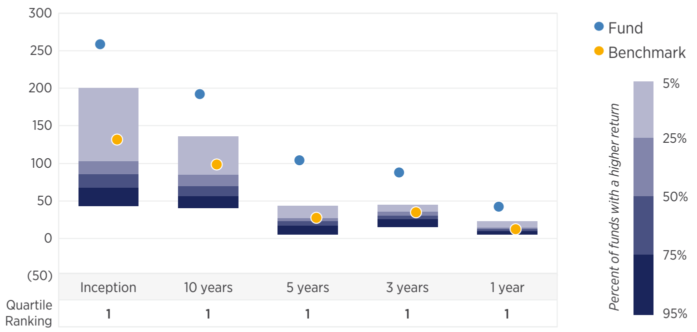
	Fund	Peer group	Benchmark
Annualised	*Net*	*Net*	*Gross*
Since Fund inception	9.9	4.3	6.6
10 years	11.1	4.8	7.0
5 years	14.8	3.5	5.0
3 years	22.5	8.1	10.2
1 year	39.2	10.2	12.0
Not annualised			
3 months	6.8	(1.9)	(2.7)
1 month	(6.8)		(5.1)

Annual returns to 31 Mar	2022	2023	2024	2025	2026
	8.8	(0.1)	14.2	15.6	39.2

Risk Measures, since Fund inception

	Fund	Peer group	Benchmark
Historic maximum drawdown (%)	29	18	23
Months to recovery	37	31	30
Annualised monthly volatility (%)	12.3	7.8	9.6
Beta vs World Index	0.7	0.5	0.7
Tracking error vs Benchmark (%)	7.1	2.8	0.0

Ranking within peer group, cumulative return (%)



Asset and Currency Allocation[1] (%)

	United States	UK	Europe ex-UK	Japan	Other	Emerging Markets	Total
Fund							
Gross Equity	25	13	8	3	5	20	75
Net Equity	*15*	*12*	*4*	*3*	*5*	*19*	*57*
Gross Fixed Income	11	0	1	0	2	7	22
Net Fixed Income	*11*	*0*	*1*	*0*	*2*	*7*	*22*
Commodity-Linked							3
Total	**37**	**13**	**9**	**3**	**7**	**27**	**100**
Currency	**23**	**12**	**23**	**11**	**14**	**18**	**100**
Benchmark							
Equity	43	2	8	3	4	0	60
Fixed Income	21	2	10	6	1	0	40
Total	**64**	**5**	**17**	**9**	**5**	**0**	**100**

Top 10 Holdings

	Sector	%
Samsung Electronics	Information Technology	5.4
Taiwan Semiconductor Mfg.	Information Technology	3.8
US TIPS > 10 Years	Inflation-Linked Government Bond	3.8
Kinder Morgan	Energy	3.6
SPDR® Gold Trust	Commodity-Linked	2.7
Newmont	Materials	2.5
Barrick Mining	Materials	2.3
Prysmian Group	Industrials	2.0
Balfour Beatty	Industrials	1.7
Drax Group	Utilities	1.6
Total		**29.5**

Portfolio Characteristics

Total number of holdings	148
12 month portfolio turnover (%)	67
12 month name turnover (%)	33

	Fund	Equity	Fixed Income
Active Share (%)	97	98	94

Fixed Income Characteristics

	Fund	JPM GBI
Duration (years)[2]	5.0	6.3
Yield to Maturity (%)[2]	6.1	3.7

Fees & Expenses (%), for last 12 months

Fund expenses	0.10
Total management fee[3]	2.50
Total Expense Ratio (TER)	**2.60**

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] Regions other than Emerging Markets include only Developed countries.

[2] Real effective duration and yield to maturity are used for inflation-linked bonds. Please refer to Notices for further details.

[3] Total management fee consists of 1.5% per annum ± up to 1%, based on 3 year rolling outperformance/(underperformance) vs Benchmark.

Legal Notices

Past performance does not predict future returns. 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. 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. Subscriptions are only valid if made on the basis of the current Prospectus of an Orbis Fund. The Fund may be exposed to risks such as liquidity, credit, counterparty, derivatives and currency/exchange rate risks. Please refer to the respective Fund's Prospectus for full information on the risks associated with investing.

The discussion topics for the commentaries were selected, and the commentaries were finalised and approved, by Orbis Investment Management Limited, the Funds' 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.

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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). 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.

Fees charged reduce the potential growth of your investment. Please refer to the relevant Fund's Prospectus for detailed information on the fees and expenses attributable to the Fund and for information on date of payment of the performance fee as applicable.

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.

Notice to Persons in the European Economic Area (EEA) and the United Kingdom (UK)

Each sub-fund of the Orbis SICAV (a Luxembourg-domiciled UCITS) is admitted for public marketing in Luxembourg and the United Kingdom. In addition, all sub-funds other than Global Cautious are admitted for public marketing in Ireland, the Netherlands, Norway and Sweden. In all cases, only certain share classes are available to investors in these jurisdictions. A list of the share classes admitted in each jurisdiction is available upon request.

Within the EEA, the Orbis Funds that are not Orbis SICAV funds are Alternative Investment Funds that are not marketed in the EEA for the purposes of EU AIFMD. Similarly, in the United Kingdom, the Orbis Funds that are not Orbis SICAV Funds or Orbis OEIC Funds are Alternative Investment Funds that are not marketed in the UK for the purposes of UK AIFMD.

Persons located in any EEA member state or the UK will only be permitted to subscribe for shares in the Orbis Funds admitted for public marketing in their specific jurisdiction, or as otherwise permitted under applicable law.

Orbis Funds that are within the scope of the EU Directive on Administrative Cooperation (Direction 2014/107/EU) are required to report (i) certain payments made to investors that are tax-resident in an EU Member State and (ii) the annual balance of the Orbis accounts held by those investors.

Under applicable automatic exchange of information provisions, this information may also be forwarded to the tax authorities in the EU Member State in which the investor is tax-resident.

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 on our website (www.orbis.com). Returns are net of fees, include income and assume reinvestment of dividends/distributions. Annualised returns show the average amount earned on an investment in the Fund/share class each year over the given time period. 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. The Fund does not seek to mirror the investment universe of the Benchmark and is thus not constrained by the Benchmark's composition.

Risk measures are ex-post and calculated on a monthly return series. Drawdowns occur when the cumulative return of the Fund drops below its preceding peak. Months to recovery measures the number of months from the preceding peak in performance to recovery of that level of performance.

Beta compares the sensitivity of the periodic returns of a fund to those of an index. A beta of 1.0 implies that a percentage move in the index has been reflected by a similar percentage move in the fund, on average. A beta higher than 1.0 implies that a fund has proportionally more exposure to market volatility than the index.

Annualised Monthly Volatility measures the variability of monthly returns, adjusted to reflect an annual level. A higher value suggests greater volatility and risk, while a lower value indicates more stable returns.

Tracking error is a measure of the difference between a fund's return and the return of its benchmark. Low tracking error indicates that the fund is closely following its benchmark. High tracking error indicates the opposite.

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 31 March 2026.

Orbis Multi-Asset Class Funds: Net Equity is Gross Equity minus stockmarket hedging. Fixed Income refers to fixed income instruments issued by corporate bodies, governments and other entities, such as bonds, money market instruments and cash. Net Fixed Income is Gross Fixed Income minus bond market hedging. Except where otherwise noted, government fixed income securities are aggregated by time to maturity and issuer. TIPS are not aggregated with ordinary treasuries. Duration is a measure of the sensitivity of a bond's price to changes in interest rates. A higher duration indicates greater sensitivity to interest rate changes. Duration is calculated using the modified duration of the fixed income instruments in the portfolio, or the effective duration in the case of fixed income instruments with embedded options and real effective duration in the case of inflation-linked bonds. Yield to Maturity ("YTM") is the total expected return on a bond if it is held until it matures. YTM for the Fund and the JP Morgan Global Government Bond Index is the average of the portfolio's fixed income instruments' YTMs, weighted by their net asset value. Real YTM is used for inflation-linked bonds. The calculations are gross and exclude non-performing fixed income instruments.

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.

Orbis Optimal Funds: Total Rate of Return for Bank Deposits is the compound total return for one-month interbank deposits in the specified currency. Beta Adjusted Exposure is calculated as Equity Exposure multiplied by a Beta determined using Blume's technique, minus Portfolio Hedging.

Fund Information

Orbis SICAV Global Balanced Fund: The benchmark is a composite index consisting of the MSCI World Index with net dividends reinvested (60%) and the JP Morgan Global Government Bond Index (40%).

Prior to 1 November 2016 the Orbis SICAV Emerging Markets Equity Fund was named the Orbis SICAV Asia ex-Japan Equity Fund and its Benchmark was the MSCI All Country Asia ex-Japan (Net) (US$) Index. The peer group prior to this date for the Investor Share Class and Shared Investor RRF Classes is the Average Asia ex-Japan Equity Fund and for the Wholesale and Fixed Fee Share Classes is the Investment Association Asia Pacific ex-Japan Sector.

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.

Prior to 1 July 1998 Orbis Optimal (US$) was managed with a currency benchmark of 40% US dollars, 40% European currency units and 20% Japanese yen. On 1 July 1998 this was changed to 100% US dollars and the euro denominated Fund was launched.

Fund Minimums

Minimum investment amounts in the Orbis Funds are specified in the respective Fund's Prospectus. New investors in the Orbis Funds must open an investment account with Orbis, which is 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.

Sources

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60/40 Index: The 60/40 Index values are calculated by Orbis using end of day index level values licensed from MSCI ("MSCI Data") and J.P. Morgan. For the avoidance of doubt, MSCI is not the benchmark "administrator" for, or a "contributor", "submitter" or "supervised contributor" to, the blended returns, and the MSCI Data is not considered a "contribution" or "submission" in relation to the blended returns, as those terms may be defined in any rules, laws, regulations, legislation or international standards. MSCI Data is provided "as is" without warranty or liability and no copying or distribution is permitted. MSCI does not make any representation regarding the advisability of any investment or strategy and does not sponsor, promote, issue, sell or otherwise recommend or endorse any investment or strategy, including any financial products or strategies based on, tracking or otherwise utilising any MSCI Data, models, analytics or other materials or information. JP Morgan Global Government Bond Index (the "JPM GBI"): Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The JPM GBI is used with permission. Copyright 2026, J.P. Morgan Chase & Co. All rights reserved. The 60/40 Index may not be copied, used, or distributed without prior written approval.

 The latest average fund indices provided by Morningstar are generally for a point up to two weeks prior to the month-end date. 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. For the purposes of extending the Average Global Equity Fund Index as a comparator of the Orbis Optimal Funds, the FTSE World Index has been used. 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.