

2016 ABRIDGED  
Financial  
Statements



ORBIS SICAV  
EMERGING MARKETS EQUITY  
*Fund*

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**Registered office and mailing address**

Orbis SICAV - Emerging Markets Equity Fund  
31, Z.A. Bourmicht  
L-8070 Bertrange  
Luxembourg

**Directors**

William B Gray  
Orbis Investment Management Limited  
Bermuda

William B Gray is the President and a Director of the Orbis Funds and Orbis Investment Management Limited and Chief Investment Officer of Orbis Investment Management Limited.

John C R Collis  
Consultant  
Bermuda

John C R Collis is a Director of the Orbis Funds.

Claude Kremer  
Arendt & Medernach  
Luxembourg

Claude Kremer is a Partner of Arendt & Medernach in Luxembourg.

Austin J O'Connor  
Consultant  
Luxembourg

Austin J O'Connor is an independent consultant in Luxembourg.

David T Smith  
Ecosse Limited  
Bermuda

David T Smith is the Managing Director of Ecosse Limited and a Director of the Orbis Funds.

**APPOINTMENTS** AT 31 DECEMBER 2016**Manager**

Orbis Investment Management (Luxembourg) S.A.  
155, rue Cents  
L-1319 Luxembourg  
Luxembourg

**Portfolio Manager**

Orbis Investment Management Limited\*  
Orbis House  
25 Front Street  
Hamilton HM 11  
Bermuda

**Placing Agent**

Orbis Investment Management Limited  
Orbis House  
25 Front Street  
Hamilton HM 11  
Bermuda

**Depository, Administrator, Paying Agent,  
Domiciliary, Registrar and Transfer Agent**

Citibank Europe plc  
Luxembourg Branch  
31, Z.A. Bourmicht  
L-8070 Bertrange  
Luxembourg

**Legal Adviser in Luxembourg**

Arendt & Medernach  
41A, Avenue John F. Kennedy  
L-2082 Luxembourg  
Luxembourg

**Investment Advisors**

*In relation to Orbis Investment Management Limited:*  
Orbis Investment Advisory Limited  
28 Dorset Square  
London NW1 6QG  
United Kingdom

Orbis Portfolio Management (Europe) LLP  
28 Dorset Square  
London NW1 6QG  
United Kingdom

Orbis Investment Management (U.S.), LLC  
600 Montgomery Street, Suite 3800  
San Francisco, CA 94111  
United States of America

Orbis Investment Advisory (Hong Kong) Limited  
Suites 1802-1805  
18th Floor, Chater House  
8 Connaught Road  
Central, Hong Kong

Allan Gray International Proprietary Limited  
1 Silo Square  
V&A Waterfront  
Cape Town, 8001  
South Africa

**Auditor**

Ernst & Young, Société anonyme  
35E, Avenue John F. Kennedy  
L-1855 Luxembourg  
Luxembourg

\*Effective 1 November 2016, replacing Orbis Investment Management (B.V.I.) Limited

## REPORT OF THE INDEPENDENT AUDITOR

To the Shareholders of  
Orbis SICAV - Emerging Markets Equity Fund,  
Luxembourg

We have audited the financial statements (the "full financial statements") of Orbis SICAV and of each of its Funds (the "Company") for the year ended 31 December 2016 from which the accompanying abridged financial statements were derived, in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". In our report dated 24 January 2017 we expressed an unqualified opinion on the full financial statements. These abridged financial statements on pages 4 - 11 comprise the statement of net assets of Orbis SICAV - Emerging Markets Equity Fund as at 31 December 2016, the statement of operations and changes in net assets for the year then ended, the schedule of investments as at 31 December 2016, and a summary of significant accounting policies and other explanatory notes to the financial statements.

In our opinion, the accompanying abridged financial statements are consistent, in all material respects, with the full financial statements from which they were derived.

For a complete understanding of the scope of our audit and of the Company's and of each of its Fund's financial position as at 31 December 2016 and of the results of their operations and changes in their net assets for the year then ended, the abridged financial statements should be read in conjunction with the full financial statements and our audit report thereon.

Supplementary information included in the abridged financial statements has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the abridged financial statements taken as a whole.

ERNST & YOUNG  
Société anonyme  
Cabinet de révision agréé



Michael Ferguson

Luxembourg  
25 January 2017

## EMERGING MARKETS EQUITY FUND

## STATEMENT OF NET ASSETS (US\$ 000's)

<b>As at 31 December</b>	<b>2016</b>
<b>Assets</b>	
Investments in Transferable Securities at Cost	2,914,439
Unrealised Depreciation	(234,355)
Investments in Transferable Securities at Fair Value	2,680,084
<b>Other Assets</b>	
Cash and Cash Equivalents	48,555
Due from Shareholders	1,001
Due from Brokers	2,760
Accounts Receivable and Accrued Income	16,336
Net Unrealised Gain on Forward Currency Contracts	3,498
Total Other Assets	72,150
<b>Total Assets</b>	<b>2,752,234</b>
<b>Liabilities</b>	
Due to Shareholders	496
Due to Brokers	1,292
Accounts Payable and Accrued Expenses	4,176
<b>Total Liabilities</b>	<b>5,964</b>
<b>Net Assets</b>	<b>2,746,270</b>

See accompanying notes on page 8

## EMERGING MARKETS EQUITY FUND

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS (US\$ 000's)

For the Year Ended 31 December	2016
Investment Income	48,381
Dividends and Interest	48,381
Expenses	14,451
Manager's Fees	12,005
Administration, Custody Fees and Other	2,446
Net Investment Income	33,930
Net Gain (Loss) from Investments and Currencies	94,815
Realised	206,301
Unrealised	(111,486)
Increase in Net Assets Resulting from Operations	128,745
Shareholders' Activity During the Year	
Subscriptions	
Orbis Funds	37,035
Other Shareholders	160,214
Switches Between Funds	144,421
Redemptions	
Orbis Funds	(34,145)
Other Shareholders	(272,142)
Switches Between Funds	(16,032)
Increase in Net Assets	148,096
Net Assets at Beginning of Year	2,598,174
<b>Net Assets at End of Year</b>	<b>2,746,270</b>

See accompanying notes on page 8

## EMERGING MARKETS EQUITY FUND

## SCHEDULE OF INVESTMENTS AT 31 DECEMBER 2016 (US\$ 000's)

## Transferable Securities

Security	Fair Value	% of Net Assets
<b>China/Hong Kong</b>		<b>33</b>
<b>China</b>		<b>25</b>
Baidu - ADR	204,108	7
NetEase - ADR	129,523	5
Sohu.com	113,107	4
JD.com - ADR	90,218	3
Uni-President China Holdings	72,487	3
Tencent Holdings	56,134	2
Positions less than 1%	26,825	1
<b>Hong Kong</b>		<b>8</b>
Jardine Matheson Holdings	70,799	3
Hang Lung Properties	65,395	2
Wynn Macau	64,515	2
Positions less than 1%	9,011	-
<b>Korea</b>		<b>28</b>
Korea Electric Power	151,096	6
Kiwoom Securities	116,178	4
KB Financial Group	106,753	4
Lotte Shopping	102,243	4
Lotte Confectionery	47,917	2
Lotte Chilsung Beverage	42,875	2
Korea Investment Holdings	42,799	2
Shinhan Financial Group	41,214	2
Hana Financial Group	37,857	1
Samsung Securities	32,981	1
Hyundai Elevator	28,161	1
Positions less than 1%	26,945	1
<b>Rest of Asia</b>		<b>11</b>
Olam International	95,487	3
Noble Group	68,142	2
Genting Berhad	65,141	2
KASIKORNBANK	60,004	2
<b>Europe &amp; Middle East</b>		<b>9</b>
Sberbank of Russia	116,312	4
British American Tobacco	56,997	2
Gedeon Richter	28,054	1
Positions less than 1%	39,920	1

See accompanying notes on page 8

## EMERGING MARKETS EQUITY FUND

## SCHEDULE OF INVESTMENTS AT 31 DECEMBER 2016 (US\$ 000's) (CONTINUED)

## Transferable Securities (Continued)

Security	Fair Value	% of Net Assets
<b>India</b>		<b>6</b>
Housing Development Finance	45,922	2
IDFC	40,166	1
Housing Development and Infrastructure	29,080	1
Positions less than 1%	36,674	1
<b>Taiwan</b>		<b>3</b>
Taiwan Semiconductor Manufacturing	52,871	2
SinoPac Financial Holdings	29,421	1
Positions less than 1%	13,087	-
<b>Africa</b>		<b>3</b>
Remgro	38,158	1
Naspers	34,092	1
Positions less than 1%	15,078	1
<b>Latin America</b>		<b>3</b>
Itaú Unibanco Holding - Preference - ADR	69,780	3
<b>Other</b>		<b>2</b>
Newcrest Mining	66,557	2
	<b>2,680,084</b>	<b>98</b>

May not sum due to rounding

See accompanying notes on page 8

## General

Orbis SICAV (the “Company”) qualifies as an open-ended investment company with variable capital (Société d’Investissement à Capital Variable (“SICAV”)), with limited liability under Part I of the Luxembourg law of 17 December 2010 (as amended) on undertakings for collective investment.

The Company is structured as an umbrella fund, providing both individual and institutional investors with an opportunity to invest in a variety of funds. The Company currently offers shares in the Emerging Markets Equity Fund, the Global Balanced Fund, the Global Equity Fund, the International Equity Fund, the Japan Core Equity Fund and the Japan Equity Fund. Each Fund’s share capital consists of one or more of the following share classes: Base Refundable Reserve Fee, Core Refundable Reserve Fee, Fee Reserve, Fixed Fee, Founding Refundable Reserve Fee, Institutional Investor, Investor, No Fee, Yen and Zero Base Refundable Reserve Fee. These share classes may differ with respect to their eligibility requirements and the management fees applied.

A separate pool of assets is maintained for each Fund. A Fund is not a separate legal entity. All of these Funds together comprise the Orbis SICAV single legal entity. Under Luxembourg law, the rights of the shareholders and creditors of a Fund which arise in connection with the creation, operation or liquidation of the Fund are limited to the assets of that Fund and the assets of the Fund are exclusively available to satisfy such rights.

Effective 1 November 2016, the Asia ex-Japan Equity Fund’s investment mandate was broadened to invest in emerging markets outside of Asia, the benchmark was changed to reflect the change in the investment mandate and the fund was renamed the Emerging Markets Equity Fund (the “Fund”).

This abridged version of the Fund’s Annual Report does not contain certain Luxembourg legal and regulatory disclosure requirements as included in the complete version of the Annual Report. A complete version of the Annual Report is available upon request and free of charge at the registered office of the Company 15 days prior to the Annual General Meeting of Shareholders of the Company.

## Significant Accounting Policies

These financial statements have been prepared and presented in accordance with Luxembourg legal and regulatory requirements applicable to investment funds.

**Investments.** Investments are recorded as of the trade date and are stated at their fair values. Investments in marketable securities are valued at their closing prices and forward currency contracts at their mid prices. If these prices are unavailable or considered unrepresentative of fair value, a price considered fair by the Manager will be used. The amounts realised may differ from these valuations due to variations in pricing, exchange rates, trading volumes and regulations.

**Foreign Currency Translation.** Assets, liabilities and forward currency contracts denominated in foreign currencies are translated into US dollars using exchange rates prevailing at the year-end. Income and expenses in foreign currencies are translated into US dollars at the exchange rates prevailing at the dates of the transactions. Translation exchange gains and losses are included in the Statement of Operations and Changes in Net Assets. The unrealised gains or losses on forward currency contracts are included in the Statement of Net Assets and the movement in the unrealised gains or losses is included in the Statement of Operations and Changes in Net Assets.

**Income and Expenses.** The accrual basis is used to recognise income and expenses. Dividends are accrued, net of withholding taxes, on the ex-date of the dividend once the ex-date and amount are known with reasonable certainty. Reclaims of withholding taxes are considered on a case by case basis and normally recognised once recovery is certain. Realised gains and losses on investments are based on average cost. All income and expenses which can be allocated directly to individual share classes are charged to those share classes. Income and expenses which do not relate specifically to a particular share class are allocated between the share classes pro rata to their Net Asset Values.

**Accounting Estimates.** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

## Taxes

Under current law and practice, the Company is not liable to Luxembourg taxes on income or capital gains, nor are dividends paid by the Company liable to any Luxembourg withholding tax. Income and capital gains on the Company's investments, however, may be subject to withholding or capital gains taxes in certain countries.

The Fund is subject to a tax (taxe d'abonnement) in Luxembourg on the net assets attributable to its Investor share class of 0.05% per annum and to its Fixed Fee, No Fee, Refundable Reserve Fee and Fee Reserve share classes of 0.01% per annum, such tax being payable quarterly and calculated on the net assets of each share class at the end of each calendar quarter.

## Share Capital

At 31 December 2016, the Fund offers Investor shares, Fixed Fee, and No Fee shares and Base, Core and Zero Base Refundable Reserve Fee shares. The Fixed Fee shares are offered to collective investment schemes portfolio managed by Allan Gray Proprietary Limited or one of its affiliates, commencing from April 2016. The No Fee shares are offered to collective investment schemes portfolio-managed by the Portfolio Manager or one of its affiliates. Fee Reserve shares are issued to the Portfolio Manager in relation to the performance fee.

At 31 December 2016, the following shares were issued and outstanding:

	Number of Shares	Net Asset Value per Share
		US\$
Investor Shares	28,794,938	21.07
Fixed Fee Shares	14,292	21.09
No Fee Shares	6,639,859	27.61
Class E-6 Core Refundable Reserve Fee Shares	18,072,173	24.83
Class E-7 Core Refundable Reserve Fee Shares	1,909,200	24.54
Class E-8 Core Refundable Reserve Fee Shares	3,818,392	24.54
Class E-9 Core Refundable Reserve Fee Shares	1,008,378	21.10
Class G-5 Core Refundable Reserve Fee Shares	8,684,322	21.27
Class G-6 Core Refundable Reserve Fee Shares	2,678,872	22.12
Class N-8 Core Refundable Reserve Fee Shares	13,383,689	24.83
Class N-9 Core Refundable Reserve Fee Shares	954,600	24.53
Class N-10 Core Refundable Reserve Fee Shares	1,909,200	24.53
Class O-1 Core Refundable Reserve Fee Shares	7,130,872	24.82
Class R-3 Core Refundable Reserve Fee Shares	1,235,629	22.16
Class R-6 Core Refundable Reserve Fee Shares	1,060,670	24.51
Class R-7 Core Refundable Reserve Fee Shares	13,500,000	24.63
Class S-11 Core Refundable Reserve Fee Shares	3,924,883	22.15
Class S-12 Core Refundable Reserve Fee Shares	216,901	22.14
Fee Reserve Shares	1,560,527	28.35

## Material Contracts - Forward Currency Contracts

At 31 December 2016, the Fund held open forward currency contracts settling on or before 9 June 2017 having net contract and net fair values as set out below. These contracts expose the Fund to credit risk arising from the potential inability of a counterparty to perform under the terms of a contract. To limit its risk to the amount of any net unrealised gain, the Fund has entered into agreements whereby all its currency transactions with the counterparty to that agreement can be netted. The Fund uses the commitment approach to determine its global exposure related to derivative instruments.

Currency	Contract Value	Contract Value US\$	Fair Value US\$	Net Unrealised Gain (Loss) US\$
BRL	180,800,000	54,254,317	54,056,034	(198,283)
CNH	(2,003,500,000)	(288,172,255)	(281,222,836)	6,949,419
CNY	(160,700,000)	(23,021,177)	(22,520,019)	501,158
HKD	1,387,060,137	179,155,246	178,896,788	(258,458)
IDR	425,680,000,000	31,684,406	31,402,862	(281,544)
INR	-	(96,377)	-	96,377
KRW	(386,915,280,735)	(331,630,903)	(320,373,710)	11,257,193
MXN	2,520,000,000	127,368,833	119,917,067	(7,451,766)
MYR	-	1,045,526	-	(1,045,526)
TWD	7,884,000,000	248,531,987	243,238,767	(5,293,220)
ZAR	240,430,000	17,969,961	17,192,450	(777,511)
		17,089,564	20,587,403	3,497,839

## Commitments

Orbis SICAV - Emerging Markets Equity, Global Balanced, Global Equity, International Equity and Japan Equity Funds along with eight other Orbis funds have entered into an uncommitted multi-currency line of credit which may be drawn upon for the purpose of paying redemptions. The maximum which may be drawn across all Funds is US\$500 million and for each Fund cannot exceed 10% of its Net Asset Value. Drawdowns bear interest at market rates and cannot be outstanding for more than seven business days. The facility expires on 22 November 2017. During 2016 no amounts were drawn upon by the Fund.

## Custodian and Administrator Fees

Fees due in respect of custody, administration and other related services for the year amounted to US\$1,714,682 of which US\$258,626 was payable at year-end.

## Transaction Costs

Transaction costs, which include brokerage and other costs incurred in connection with the purchase and sale of investments, for the year amounted to US\$4,834,430 and are recorded as part of Realised Net Gain (Loss) from Investments and Currencies in the Statement of Operations and Changes in Net Assets.

## Directors' Fees and Expenses

There are no existing or proposed service contracts between any of the Directors and the Company. The Shareholders of the Company have approved Director's fees for 2016 to each of Messrs Collis, Kremer, O'Connor and Smith of US\$40,000 before withholding tax. No other Directors have received any remuneration or other direct benefit material to them.

## Related Party Transactions

Orbis Investment Management (Luxembourg) S.A. is the Manager and effective, 1 November 2016, Orbis Investment Management Limited replaced Orbis Investment Management (B.V.I.) Limited as the Portfolio Manager of the Fund.

The Investor shares pay the Manager and the Portfolio Manager a fee which can vary between 0.5% and 2.5% per annum of weekly net assets, determined by that share class' rate of return versus its performance fee hurdle. The Fixed Fee shares pay the Manager and the Portfolio Manager a fee of 1.7% per annum of their net assets.

The Manager and Portfolio Manager are paid a base fee by the Base Refundable Reserve Fee shares of 0.60% per annum of their net assets and by the Core Refundable Reserve Fee shares of between 0.30% and 0.45% per annum of their net assets. The Zero Base Refundable Reserve Fee shares do not pay a base fee. The Base and Core Refundable Reserve Fee shares each pay the Portfolio Manager a performance related fee of 25%, and for the Zero Base Refundable Reserve Fee shares, a fee of 33%, of the share class' rate of return versus its performance fee hurdle since the last Dealing Day. At each Dealing Day, the Portfolio Manager is issued Fee Reserve shares to the extent of any performance fee accrued. The performance fee is partially refundable in the event of future underperformance, with the refund limited to the value of the Fee Reserve shares related to each investor's Refundable Reserve Fee shares and the fee subject to a high water mark should the available refund be exhausted. The No Fee shares and the Fee Reserve shares bear no fee.

For each investor in the Base and Core Refundable Reserve Fee share classes, when the value of their related Fee Reserve shares exceeds 3% and 7% of the total Net Asset Value of their Refundable Reserve Fee shares, the Portfolio Manager is paid in cash at an annualised rate of 1% and 2%, respectively, of the total Net Asset Value of those Refundable Reserve Fee shares. For each investor in the Zero Base Refundable Reserve Fee share class, payment is made at an annualised rate of 0.75% of the total Net Asset Value of their Refundable Reserve Fee shares when there is value in their related Fee Reserve shares, and is increased to an annualised rate of 1.75% and 2.75% when the value of the related Fee Reserve shares exceeds 3% and 7%, respectively, of the total Net Asset Value of their Refundable Reserve Fee shares.

At 31 December 2016, the value of the Fee Reserve shares in issue with respect to the following Core Refundable Reserve Fee share classes was: E-6 – US\$12,164,280, E-7 – US\$945,741, E-8 – US\$1,896,421, G-5 – US\$4,380,432, N-8 – US\$9,008,497, N-9 – US\$472,710, N-10 – US\$945,612, O-1 – US\$4,773,530, R-3 – US\$472,065, R-6 – US\$524,877 and R-7 – US\$8,687,661.

Performance fees (refunds) for the year amounted to: A-9 – (US\$339,179), E-6 – US\$790,222, E-7 – US\$71,951, E-8 – US\$149,392, G-5 – US\$386,076, G-6 – (US\$143), N-8 – US\$585,204, N-9 – US\$84,326, N-10 – US\$169,005, O-1 – (US\$4,913,281), P-3 – (US\$2,963,202), R-2 – (US\$1,587,201), R-3 – (US\$107,290), R-6 – US\$195,127, R7 – US\$1,551,999, S-11 – (US\$86,537), S-12 – (US\$4,670), and U-5 – (US\$155,556). Fees totalling US\$1,777,367 were payable at year-end.

At the year-end, other Orbis funds held 4,141,653 Investor shares and all the No Fee shares in the Fund. Other related parties, which include institutional and other clients managed on a discretionary basis and the Directors and Officers of the Orbis funds and of their Managers and Investment Advisors, held 10,772,959 Investor, all the Fixed Fee and all the E-6, E-7, E-8, G-5, G-6, N-8, N-9, N-10, O-1, R-3 and R-6 Core Refundable Reserve Fee shares of the Fund excluding their indirect holdings via other Orbis funds.

The Portfolio Manager holds all the Fee Reserve shares.

Certain of the Company's Directors also act as executives and directors of related companies, details of which are provided on page 1 of this report.

## NOTICES

**Annual General Meeting.** In accordance with Luxembourg law, notice of the Annual General Meeting of Orbis SICAV - Emerging Markets Equity Fund (the “Fund”) will be sent to Shareholders shortly prior to the scheduled date of the meeting on 1 May 2017.

**Notice to Persons in the European Economic Area (EEA).** The Fund, a sub-fund of Orbis SICAV, a UCITS IV compliant Luxembourg collective investment scheme, is admitted for public marketing in Ireland, Luxembourg, the Netherlands, Norway, Sweden and the United Kingdom. Persons located in any EEA member state will only be permitted to subscribe for shares in the Fund under certain circumstances as determined by, and in compliance with, applicable law.

**Supplemental Disclosure under the Distance Marketing of Financial Services Directive.** Disclosure requirements arising from the European Council Distance Marketing Directive (No. 2002/65/EC) apply to financial services supplied at a distance to consumers in the European Union. The Fund has determined that for the purposes only of meeting the Directive requirements, the Luxembourg Distance Marketing of Consumer Financial Services Law of 2006 shall apply to the establishment of relations with prospective and current Shareholders entitled to the benefit of the Directive. The Fund is required to provide specified information to prospective and current Shareholders. This specified information, which is provided in English, is contained in the Fund's Prospectus, the account opening form, the subscription form and (for Shareholders who elect to view their account online at [www.orbis.com](http://www.orbis.com)) the Orbis Funds Portfolio Services Agreement. These services are not a type of financial service to which cancellation rights apply.

**Other.** This Report does not constitute a financial promotion, a recommendation, an offer to sell or a solicitation to buy shares of the Fund. Subscriptions are only valid if made on the basis of the current Prospectus of the Fund. Certain capitalised terms are defined in the Glossary section of the Fund's Prospectus, a copy of which is available upon request. Orbis Investment Management Limited is licensed to conduct investment business by the Bermuda Monetary Authority. This Report is approved for issue in the United Kingdom by Orbis Investment Advisory Limited, 28 Dorset Square, London, England NW1 6QG; a firm authorised and regulated by the Financial Conduct Authority.

