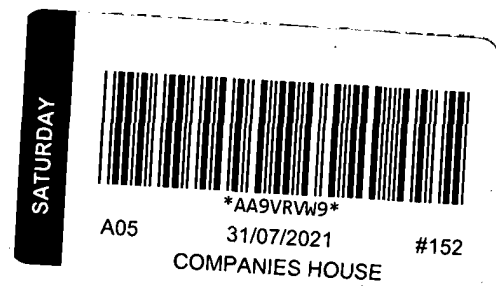


Orbis Investments (U.K.) Limited
Annual report
for the year ended 31 December 2020

Registered number: 08138002



Orbis Investments (U.K.) Limited

Annual report for the year ended 31 December 2020

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Orbis Investments (U.K.) Limited

Group strategic report for the year ended 31 December 2020

The directors present their strategic report on the affairs of Orbis Investments (U.K.) Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31 December 2020.

Principal activities and review of business

The Company is authorised and regulated by the Financial Conduct Authority ("FCA") with the following scope of permissions under the Financial Services and Markets Act 2000:

- arranging deals in investments,
- dealing in investments as agent,
- safeguarding and administration of assets and
- arranging safeguarding and administration of assets.

The Company's registered address is 28 Dorset Square, London, NW1 6QG. The Company's country of incorporation is England.

Key performance indicators

The Group monitors metrics in relation to staff numbers and remuneration on a periodic basis. Further details on these metrics can be found in note 6 in the financial statements. A more detailed analysis is not considered necessary.

Future outlook

The Group earns revenue from a single related party, Orbis Investment Management Limited in its capacity as distributor and transfer agent of the Orbis OEIC. There are no changes contemplated that would impair the Group's ability to meet its financial obligations.

Financial risk management

The Group's operations expose it to certain financial risks. The Group considers financial risks regularly during the year and seeks to limit the adverse effects on the financial performance of the Group.

Credit risk

The Group's revenue consists entirely of distribution fees charged to one customer, Orbis Investment Management Limited, a related party. As part of its risk management process, the Group has banking arrangements with stable counterparties.

Liquidity risk

The Group is sufficiently capitalised and has available funds for future operations.

Interest rate risk

Interest bearing assets include cash balances. The Group does not rely on the interest earned on interest bearing assets for operations.

Orbis Investments (U.K.) Limited

Group strategic report (continued) for the year ended 31 December 2020

Directors' statement of compliance with section 172(1)

This statement sets out how the directors of the Company have had regard to, and carried out their duties under, Section 172(1) of the Companies Act 2006. The Company is part of the Orbis group of companies (Orbis).

Background

Section 172(1) requires each director to act in a way he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the Company's employees,
- the need to foster the Company's business relationships with suppliers, customers and others,
- the impact of the Company's operations on the community and the environment,
- the desirability of the Company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the Company.

The Board's Approach to Section 172

The starting point for the Directors is the Orbis Core Values, which guide how Orbis operates:

- Earn the trust and confidence of our clients.
- Excel in all that we do.
- Foster a purposeful and fulfilling work environment.
- Recruit and reward based on value creation for clients.
- Take a long-term perspective.
- Act responsibly.

These, together with Orbis' Core Purpose and Attributes of Success, underpin all key decisions of the Directors, as well as business as usual operational matters, on the belief that culture is the most critical variable underpinning our organisation.

As a general matter, the Board approaches key decisions through the lens of achieving Orbis' Core Purpose of empowering its clients by enhancing their savings and wealth. To that end, operational priorities are agreed periodically within Orbis and progress against those priorities is tracked on an ongoing basis. The factors that feed into that assessment typically include, as appropriate:

- the financial impact on the Company;
- any impact on the Company's employees, third parties and the community more generally; and
- any potential reputational impact.

The Board has been made aware of its obligations under Section 172 and all of the Directors understand their obligations in this regard.

Long Term Decision Making

The Company's governance structures are designed to enable the Directors to exercise comprehensive oversight over the Company's entire business, including monitoring the Company's financial position, business activities (including interactions with intragroup clients, Orbis clients, and regulatory compliance), employee issues and contribution to the mission and purpose of Orbis.

Orbis Investments (U.K.) Limited

Group strategic report (continued) for the year ended 31 December 2020

In addition to statutory, regulatory and fiduciary duties, the Directors are also guided by the following documents:

- UK Corporate Governance Statement;
- UK Executive Committee (the UK ExCo) Terms of Reference;
- UK Governance Reporting Schedule;
- UK Remuneration Policy Statement; and
- UK Remuneration Controls Framework.

These governance documents contribute to the Directors' approach to key business and governance matters and help to ensure that the Directors exercise adequate oversight and take decisions in a manner consistent with Orbis' Core Values and wider approach to conduct of business.

Furthermore, the Directors have implemented a number of structures, including the UK ExCo and various other committees, to enhance the efficiency and quality of decision making. In some cases, these governance structures are cross-functional with those of other Orbis companies, in particular Orbis' two other operating companies in the UK. This approach facilitates consistency across Orbis' London offices and/or Orbis companies where appropriate.

The UK ExCo, which operates as a joint committee of the boards of directors of Orbis' three UK operating entities, is tasked with coordinating consistent management across these entities and Orbis' two physical offices in London. The UK ExCo also has a particular emphasis on talent management, cultural cohesion and diversity and inclusion. The UK Operations Group, which operates in effect as a sub-committee of the UK ExCo, is designed to streamline day-to-day operational decision making, so that the Company is better positioned to make quality decisions in a timely fashion.

Employees, Community and the Environment

The Company utilises a range of tools to ensure appropriate engagement with various stakeholders. For example, in conjunction with Orbis, the Company undertakes an annual engagement survey with all staff to better understand areas of staff satisfaction as well as areas of staff engagement for which increased focus by the Company may be required.

The Buchanan Programme, an employee philanthropic giving programme, continues to be an important element in supporting staff and the community. In 2020, the Company allocated material funds to the Buchanan Programme with an aim of supporting charitable giving, employee personal causes and education savings accounts.

Covid-19

The global coronavirus pandemic was a significant focus for the Company during 2020. Leveraging off existing business continuity frameworks, the Company formed a pandemic crisis management committee (the UK CMT), comprised of several directors and senior members of the UK business operations and technology infrastructure teams. The UK CMT met 58 times during 2020 and continues to meet at least weekly. Some members of the UK CMT also represent Orbis' UK offices at a similar global crisis management committee, which has been meeting throughout the pandemic as well.

The UK CMT focuses on tracking a range of pandemic-related issues, including staff health and wellbeing, working from home arrangements, efforts to ensure a Covid-secure work environment in Orbis' UK offices, and maintaining corporate culture and staff mental health through ongoing virtual training, teambuilding exercises and social events.

Orbis Investments (U.K.) Limited

Group strategic report (continued) for the year ended 31 December 2020

At the outset of the pandemic, the board held an ad-hoc meeting in March 2020 specifically to discuss the Covid situation and evaluate what actions had already been taken and what further steps and monitoring would be required.

The Company has undertaken several ad-hoc staff engagement surveys to monitor staff health and wellbeing under these extraordinary circumstances and to help guide additional steps the Company could take to better support staff.

Business Relationships and Standards of Business Conduct

The Company follows Orbis' global guidance for engaging with third parties for initial onboarding or renewing of relationships, engagements and/or purchases, together with ongoing monitoring. In this way, the Directors strive to properly manage these third party relationships and ensure that the Company seeks to only engage with suitable counterparties. The Company considers effective management of third party risks to be an important part of servicing its clients and preserving its reputation.

Orbis operates a Global Risk Committee (the GRC), as a joint committee of the boards of directors of each regulated Orbis operating company, to coordinate and monitor risk and assurance measures for Orbis. The Company has constituted the GRC as a committee of its board of directors. The GRC meets periodically and shares a summary of any significant findings and recommendations with the relevant Orbis boards. The Directors consider the information and recommendations flowing from the GRC to ensure that the Company appropriately evaluates and responds to risks as necessary.

Orbis also operates a Conflicts Committee, as a joint committee of the boards of directors of each regulated Orbis operating company, to review and manage material conflicts that may arise in respect of the Company. The Directors believe it is important to apply robust governance practices that encourage behaviour consistent with Orbis' Core Values, facilitate appropriate transparency as regards relevant stakeholders, ensure appropriate regulatory compliance, and bolster confidence in the organisation's underlying approach to business matters. The joint committee structure enables the Directors to focus on applying standards consistently across Orbis, which helps to ensure that matters impacting clients, employees, third parties and the wider community are purposefully addressed in a consistent manner, with due regard to Orbis' global approach to business practices and corporate stewardship.

The UK Financial Conduct Authority's Senior Managers and Certification Regime (SMCR) became effective on, and applied to the Company from, 9 December 2019. The Directors have implemented structures and processes to ensure ongoing compliance with SMCR and training on the requirements has been provided to all relevant staff.

The Company also considers the implications of modern slavery in its supply chain and reports this publicly through the annual issuance of a Modern Slavery Act statement as required under relevant law. Through this process, the Directors consider the potential impacts of the supply chain on the community, alongside potential reputational issues. Through transparent reporting, and maintaining upstanding principles of operation, the Company is able to demonstrate its commitment to acting responsibly and earning the trust and confidence of Orbis clients.

Orbis Investments (U.K.) Limited

Group strategic report (continued) for the year ended 31 December 2020

Interests of Member

In approving the Company's annual financial statements, the Directors carefully review the financial statements and duly consider a number of factors, including (but not limited to) any recommendations or observations from the Company's Finance team and/or the Company's auditors. To the extent that any operational or control recommendations are raised to the Directors, they are duly considered and discussed with the Company's Finance team and a course of action agreed, thereby facilitating a long term approach by ensuring future good practice and having regard for the interests of the Company's sole shareholder in respect of the Company's financial efficacy.

Furthermore, the composition of the UK ExCo includes, where possible, a representative from the board of directors of Orbis' global holding company, an indirect parent of the Company. In this way, the Directors have sought to reinforce an appropriate balance vis-à-vis interests of the Company's direct and indirect shareholders in the Company.

Based on the information provided above, the Directors believe they have complied with the requirements of Section 172 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Daniel Maurice Brocklebank
Director

Date: 18 March 2021

Orbis Investments (U.K.) Limited

Directors' report for the year ended 31 December 2020

The directors present their report on the affairs of the Group, together with the audited consolidated financial statements for the year ended 31 December 2020.

Results and dividends

The profit for the financial year, amounted to £360,262 (2019 - £544,818).

The directors do not recommend the payment of a dividend (2019 - £NIL).

Statement of disclosure of information to auditors

So far as the directors are aware at the time when this report is approved:

- there is no relevant audit information of which the Group's auditors are unaware, and
- they have taken all the steps that ought to have been taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Statement of directors' responsibilities

The directors are responsible for preparing the group strategic report, the directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Pillar 3 disclosure

In accordance with the rules of the FCA, the Company has published information on its risk management objectives and policies and on its regulatory capital requirements and resources. This information is available on the website www.orbis.com/uk/individual/documents.

Matters covered in the group strategic report

Information relating to the Group's future outlook and the Group's financial risk management are covered in the group strategic report.

Orbis Investments (U.K.) Limited

Directors' report (continued) for the year ended 31 December 2020

Independent auditors

The independent auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Directors

The directors who served during the year and up to the date of this report were:

Marcel Claude Bradshaw
Daniel Maurice Brocklebank
James Jeremy Dorr
Timothy James Vaughn Freeman
Imran Gulamhuseinwala (appointed 2 November 2020)
Leighton Spencer Harris
Heather Anne Hopkins (appointed 2 November 2020)

This report was approved by the board on 18 March 2021 and signed on its behalf.



Daniel Maurice Brocklebank
Director

Orbis Investments (U.K.) Limited

Independent auditors' report to the members of Orbis Investments (U.K.) Limited

Report on the audit of the financial statements

Opinion

In our opinion, Orbis Investments (U.K.) Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2020 and of the group's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Consolidated balance sheet and Company balance sheet as at 31 December 2020; the Consolidated statement of income and retained earnings and the Consolidated statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Orbis Investments (U.K.) Limited

Independent auditors' report to the members of Orbis Investments (U.K.) Limited

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Group strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Group strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Group strategic report and Directors' report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Group strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Orbis Investments (U.K.) Limited

Independent auditors' report to the members of Orbis Investments (U.K.) Limited

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the Financial Conduct Authority, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue and expenses. Audit procedures performed included:

- Enquiries with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Obtain an understanding of management's internal control environment designed to prevent and detect irregularities;
- Reviewing relevant meeting minutes, including those of the Board;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing; and
- Identifying and testing journal entries, in particular any journal entries posted with unexpected account combinations and unusual words.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Orbis Investments (U.K.) Limited

Independent auditors' report to the members of Orbis Investments (U.K.) Limited

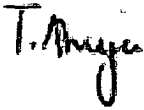
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Tina Ahuja (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

18 March 2021

Orbis Investments (U.K.) Limited

Consolidated statement of income and retained earnings for the year ended 31 December 2020

| | Note | 2020 £ | 2019 £ |
|---|------|------------------|-------------|
| Turnover | 3 | 5,143,439 | 6,973,367 |
| Administrative expenses | | (4,716,228) | (6,274,769) |
| Other operating income | | 4,282 | 1,456 |
| Other operating charges | | (403) | - |
| Operating profit | 4 | 431,090 | 700,054 |
| Interest receivable and similar income | | 4,547 | 9,258 |
| Interest payable and similar expenses | | - | (169) |
| Profit on ordinary activities before tax | | 435,637 | 709,143 |
| Tax on profit on ordinary activities | 8 | (75,375) | (164,325) |
| Profit for the financial year | | 360,262 | 544,818 |
| Retained earnings at the beginning of the year | | 837,385 | 292,567 |
| Profit for the financial year | | 360,262 | 544,818 |
| Retained earnings at the end of the year | | 1,197,647 | 837,385 |

All of the results are derived from continuing operations.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of income and retained earnings in these financial statements.

Orbis Investments (U.K.) Limited
Registered number:08138002

Consolidated balance sheet
as at 31 December 2020

| | Note | 2020 £ | 2019 £ |
|---|------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 9 | 18,712 | 22,880 |
| | | <u>18,712</u> | <u>22,880</u> |
| Current assets | | | |
| Debtors: Amounts falling due after more than one year | 11 | 119,293 | 93,374 |
| Debtors: Amounts falling due within one year | 11 | 1,606,178 | 1,752,732 |
| Cash at bank | | 3,465,481 | 3,158,794 |
| | | <u>5,190,952</u> | <u>5,004,900</u> |
| Creditors: Amounts falling due within one year | 12 | <u>(1,009,648)</u> | <u>(1,280,826)</u> |
| Net current assets | | <u>4,181,304</u> | <u>3,724,074</u> |
| Total assets less current liabilities | | <u>4,200,016</u> | <u>3,746,954</u> |
| Provisions for liabilities | | | |
| Other provisions | 15 | (502,369) | (409,569) |
| Net assets | | <u>3,697,647</u> | <u>3,337,385</u> |
| Capital and reserves | | | |
| Called up share capital | 16 | 2,500,000 | 2,500,000 |
| Retained earnings | | 1,197,647 | 837,385 |
| Total equity | | <u>3,697,647</u> | <u>3,337,385</u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 March 2021.


Daniel Maurice Brocklebank
 Director

The notes on pages 16 to 29 form part of these financial statements.

Orbis Investments (U.K.) Limited
Registered number:08138002

Company balance sheet
as at 31 December 2020

| | Note | 2020 £ | 2019 £ |
|---|------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 9 | 18,712 | 22,880 |
| Investments | 10 | 2 | 2 |
| | | <u>18,714</u> | <u>22,882</u> |
| Current assets | | | |
| Debtors: Amounts falling due after more than one year | 11 | 119,293 | 93,374 |
| Debtors: Amounts falling due within one year | 11 | 1,606,178 | 1,752,732 |
| Cash at bank | | 3,465,481 | 3,158,794 |
| | | <u>5,190,952</u> | <u>5,004,900</u> |
| Creditors: Amounts falling due within one year | 12 | <u>(1,009,650)</u> | <u>(1,280,828)</u> |
| Net current assets | | <u>4,181,302</u> | <u>3,724,072</u> |
| Total assets less current liabilities | | <u>4,200,016</u> | <u>3,746,954</u> |
| Provisions for liabilities | | | |
| Other provisions | 15 | (502,369) | (409,569) |
| Net assets | | <u>3,697,647</u> | <u>3,337,385</u> |
| Capital and reserves | | | |
| Called up share capital | 16 | 2,500,000 | 2,500,000 |
| Retained earnings at the beginning of the year | | 837,385 | 292,567 |
| Profit for the financial year | | 360,262 | 544,818 |
| Total equity | | <u>3,697,647</u> | <u>3,337,385</u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 March 2021.



Daniel Maurice Brocklebank
Director

The notes on pages 16 to 29 form part of these financial statements.

Orbis Investments (U.K.) Limited

Consolidated statement of cash flows for the year ended 31 December 2020

| | 2020 £ | 2019 £ |
|---|------------------|------------------|
| Cash flows from operating activities | | |
| Profit for the financial year | 360,262 | 544,818 |
| Adjustments for: | | |
| Depreciation of tangible assets | 9,111 | 101,240 |
| Loss on disposal of tangible assets | - | 31,115 |
| Interest receivable and similar income | (4,547) | (9,258) |
| Tax on profit on ordinary activities | 75,375 | 164,325 |
| Decrease/(increase) in debtors | 278,350 | (1,191,073) |
| (Decrease)/increase in creditors | (180,971) | 235,700 |
| Increase in provisions | 92,800 | 97,645 |
| Tax paid | (323,297) | (117,382) |
| Net cash generated from/(used in) operating activities | 307,083 | (142,870) |
| Cash flows from investing activities | | |
| Purchase of tangible assets | (4,943) | (5,211) |
| Sale of tangible assets | - | 15,239 |
| Interest received | 4,547 | 9,258 |
| Net cash (used in)/generated from investing activities | (396) | 19,286 |
| Net increase/(decrease) in cash and cash equivalents | 306,687 | (123,584) |
| Cash and cash equivalents at the beginning of the financial year | 3,158,794 | 3,282,378 |
| Cash and cash equivalents at the end of the financial year | 3,465,481 | 3,158,794 |
| Cash and cash equivalents consists of: | | |
| Cash at bank | 3,465,481 | 3,158,794 |

The company has taken advantage of the exemption from preparing a Company statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows.

The notes on pages 16 to 29 form part of these financial statements.

Orbis Investments (U.K.) Limited

Notes to the financial statements for the year ended 31 December 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The Group financial statements have been prepared on the going concern basis in compliance with United Kingdom Accounting Standards (including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102")) and the Companies Act 2006. These consolidated financial statements are prepared under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The accounting policies presented have been consistently applied to all years presented, unless otherwise stated.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

1.2 Basis of consolidation

The Group consolidated financial statements include the financial statements of the Company and all of its subsidiary undertakings up to 31 December 2020.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where a subsidiary has different accounting policies to the Group, adjustments are made to those subsidiary financial statements to apply the Group's accounting policies when preparing the consolidated financial statements.

Inter-company transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated on consolidation.

1.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

i) Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract, when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract can be reliably measured, and;
- the costs incurred and the costs to complete the contract can be measured reliably

ii) Interest income

Interest income is recognised using the effective interest rate method.

iii) Dividend income

Dividend income is recognised when the right to receive payment is established.

Orbis Investments (U.K.) Limited

Notes to the financial statements for the year ended 31 December 2020

1. Accounting policies (continued)

1.4 Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and costs directly attributable to bringing the asset to its working condition for its intended use.

Subsequent costs are included in the assets' carrying amounts or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Group and the cost can be measured reliably. The carrying amount of any replaced component is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is provided on a straight line basis at rates calculated to write off the cost less the residual value of each asset over its estimated useful life.

Depreciation is provided on the following basis:

| | |
|---------------------------------|------------------|
| Computer and office equipment - | 20-25% per annum |
|---------------------------------|------------------|

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

1.5 Impairment of non-financial assets

At each balance sheet date, non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication, the recoverable amount of the asset is compared to its carrying amount.

The recoverable amount of the asset is the higher of the fair value less costs to sell and the value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount, with an impairment loss recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in profit or loss.

1.6 Investments

Investments in subsidiary companies are carried at cost less accumulated impairment losses.

Orbis Investments (U.K.) Limited

Notes to the financial statements for the year ended 31 December 2020

1. Accounting policies (continued)

1.7 Cash and cash equivalents

Cash is represented by deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.8 Financial instruments

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i) Financial assets

Basic financial assets, including amounts owed by group undertakings and cash at bank, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii) Financial liabilities

Basic financial liabilities, including accruals and other creditors and amounts owed to group undertakings, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Orbis Investments (U.K.) Limited

Notes to the financial statements for the year ended 31 December 2020

1. Accounting policies (continued)

1.9 Foreign currency translation

i) Functional and presentation currency

The Group's functional and presentational currency is pounds sterling ("GBP").

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period-end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

1.10 Called up share capital

Ordinary shares are classified as equity, in accordance with the substance of the contractual arrangements. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

1.11 Employee benefits

i) Holiday pay accrual

A liability is recognised for any unused holiday pay entitlement which is accrued at the balance sheet date. This is measured at the undiscounted salary cost of the future holiday entitlement accrued.

ii) Incentive compensation scheme

Certain employees belong to a long-term incentive scheme that allows them to receive bonus amounts equal to an initial principal award plus the returns on certain Orbis Funds of the employee's choice. Awards vest based on a vesting schedule attached to the award confirmation. Amounts to be distributed under the scheme are expensed over the vesting period based on the estimated payout amounts.

1.12 Other provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at management's best estimate of the expenditure required to settle the obligation and are discounted to present value when the discount effect is material.

Orbis Investments (U.K.) Limited

Notes to the financial statements for the year ended 31 December 2020

1. Accounting policies (continued)

1.13 Current and deferred tax

Tax expense comprises current and deferred tax, and is recognised in profit or loss.

Current or deferred tax assets and liabilities are not discounted.

i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii) Deferred tax

Deferred tax arises from timing differences between taxable profits and profit or loss as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Unrelieved tax losses and other deferred tax assets are only recognised to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilised.

Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

1.14 Related party transactions

The Company discloses transactions with related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated, unless separate disclosure is necessary to understand the effect of the transactions on the financial statements.

Orbis Investments (U.K.) Limited

Notes to the financial statements for the year ended 31 December 2020

2. Judgments in applying accounting policies

The preparation of the consolidated financial statements requires the Group's management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. The determination of estimates requires the exercise of judgment based on various assumptions and other factors such as historical experience and expected economic conditions. Actual results could differ from those estimates.

Key sources of estimation uncertainty

The following accounting policy has been identified as involving particularly complex or subjective decisions or assessments:

Useful economic lives of tangible assets

The Group depreciates its assets over their estimated useful lives taking into account residual values, which are re-assessed on an annual basis. The actual useful lives and residual values can vary depending on a variety of factors. Technological innovation, product life cycles and maintenance programmes all impact the useful lives and residual values of the assets. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

3. Turnover

An analysis of turnover by class of business is as follows:

| | 2020 £ | 2019 £ |
|-------------------|-----------|-----------|
| Distribution fees | 5,143,439 | 6,973,367 |

All turnover arose within the United Kingdom in service of a Bermuda based client.

4. Operating profit

The operating profit is stated after charging/(crediting):

| | 2020 £ | 2019 £ |
|-------------------------------------|-----------|-----------|
| Depreciation of tangible assets | 9,111 | 101,240 |
| Loss on disposal of tangible assets | - | 31,115 |
| Foreign exchange losses/(gains) | 403 | (992) |

Orbis Investments (U.K.) Limited

Notes to the financial statements for the year ended 31 December 2020

5. Auditors' remuneration

| | 2020 £ | 2019 £ |
|--|----------------|----------------|
| Fees payable to the Group's auditor and its associates for the audit of the Group's financial statements | 49,380 | 39,400 |
| Fees payable to the Group's auditors and its associates in respect of: | | |
| Audit-related assurance services | 81,204 | 77,777 |
| Tax compliance services | 9,625 | 7,575 |
| Other assurance services | 800 | 1,600 |
| | <u>141,009</u> | <u>126,352</u> |

6. Employees

Staff costs, including executive and non-executive directors' remuneration, were as follows:

| | 2020 £ | 2019 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 2,058,150 | 2,126,481 |
| Social security costs | 213,852 | 233,992 |
| | <u>2,272,002</u> | <u>2,360,473</u> |

The average monthly number of staff during the year was as follows:

| | 2020 Number | 2019 Number |
|---------------------------|----------------|----------------|
| Distribution | 6 | 6 |
| Marketing | 1 | 2 |
| Other business operations | 7 | 6 |
| | <u>14</u> | <u>14</u> |

Certain employees belong to a long term incentive scheme (see note 1.11). During 2020, a provision of £331,235 (2019 - £277,602) was expensed as part of wages and salaries for the year (see note 15). Awards with a value of £238,435 (2019 - £179,957) vested on 31 December 2020 and were paid during January 2021.

Orbis Investments (U.K.) Limited

Notes to the financial statements for the year ended 31 December 2020

7. Directors' remuneration

| | 2020 £ | 2019 £ |
|-----------------------|----------------|-----------|
| Directors' emoluments | 877,229 | 864,244 |

The highest paid director received remuneration of £507,084 (2019 - £519,821).

Some of the directors of the Company are employed and remunerated by companies included within the global Orbis group in respect of their services to this group. The Orbis group does not recharge the Company for directors' services as they are not a significant portion of their overall services.

8. Tax on profit on ordinary activities

| | 2020 £ | 2019 £ |
|--|-----------------|-----------|
| Current tax | | |
| UK corporation tax charge on profit for the financial year | 94,881 | 163,664 |
| Adjustments in respect of prior periods | - | 8,149 |
| Total current tax | 94,881 | 171,813 |
| Deferred tax | | |
| Origination and reversal of timing differences | (7,931) | (10,882) |
| Effects of changes in tax rates | (11,575) | 3,394 |
| Total deferred tax (see note 14) | (19,506) | (7,488) |
| Tax on profit on ordinary activities | 75,375 | 164,325 |

Orbis Investments (U.K.) Limited

Notes to the financial statements for the year ended 31 December 2020

8. Tax on profit on ordinary activities (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

| | 2020 £ | 2019 £ |
|--|-----------------|-----------|
| Profit on ordinary activities before tax | 435,637 | 709,143 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%) | 82,771 | 134,737 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 4,179 | 18,045 |
| Effects of changes in tax rates | (11,575) | 3,394 |
| Adjustments in respect of prior periods | - | 8,149 |
| Total tax charge for the year | 75,375 | 164,325 |

Factors that may affect future tax charges

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate would increase from 19% to 25%. This proposal has not yet been substantively enacted so its effects are not included in these financial statements.

Orbis Investments (U.K.) Limited

Notes to the financial statements for the year ended 31 December 2020

9. Tangible assets

Group and Company

| | Computer and office equipment £ |
|---------------------------------|--|
| Cost | |
| At 1 January 2020 | 225,707 |
| Additions | 4,943 |
| Disposals | (39,931) |
| At 31 December 2020 | 190,719 |
| Accumulated depreciation | |
| At 1 January 2020 | 202,827 |
| Charge for the year | 9,111 |
| Disposals | (39,931) |
| At 31 December 2020 | 172,007 |
| Net book value | |
| At 31 December 2020 | 18,712 |
| At 31 December 2019 | 22,880 |

Orbis Investments (U.K.) Limited

Notes to the financial statements for the year ended 31 December 2020

10. Investments

Company

| | Investments in subsidiary companies £ |
|--------------------------------|--|
| Cost and net book value | |
| At 1 January 2020 | 2 |
| Additions | - |
| At 31 December 2020 | 2 |

Details of subsidiary undertakings can be found under note 20.

11. Debtors

| | Group and Company 2020 £ | Group and Company 2019 £ |
|---|-----------------------------------|-----------------------------------|
| Amounts falling due after more than one year | | |
| Prepayments and accrued income | 6,430 | 2,527 |
| Deferred tax asset (see note 14) | 112,863 | 90,847 |
| | 119,293 | 93,374 |
| Amounts falling due within one year | | |
| Amounts owed by group undertakings | 1,078,549 | 1,386,425 |
| Other debtors | 210,025 | - |
| Prepayments and accrued income | 312,585 | 358,778 |
| Deferred tax asset (see note 14) | 5,019 | 7,529 |
| | 1,606,178 | 1,752,732 |

Orbis Investments (U.K.) Limited

Notes to the financial statements for the year ended 31 December 2020

12. Creditors: Amounts falling due within one year

| | Group 2020 £ | Group 2019 £ | Company 2020 £ | Company 2019 £ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Amounts owed to group undertakings | 185,995 | 419,874 | 185,997 | 419,876 |
| Corporation tax | - | 90,207 | - | 90,207 |
| Other tax and social security | 231,445 | 322,908 | 231,445 | 322,908 |
| Other creditors | 86,944 | 13,858 | 86,944 | 13,858 |
| Accruals and deferred income | 505,264 | 433,979 | 505,264 | 433,979 |
| | <u>1,009,648</u> | <u>1,280,826</u> | <u>1,009,650</u> | <u>1,280,828</u> |

13. Financial instruments

| | Group 2020 £ | Group 2019 £ | Company 2020 £ | Company 2019 £ |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Financial assets that are debt instruments measured at amortised cost | | | | |
| | 1,078,549 | 1,386,425 | 1,078,549 | 1,386,425 |
| Amounts owed by group undertakings | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Financial liabilities measured at amortised cost | | | | |
| Amounts owed to group undertakings | (185,995) | (419,874) | (185,997) | (419,876) |
| Accruals and other creditors | (198,868) | (132,658) | (198,868) | (132,658) |
| | <u>(384,863)</u> | <u>(552,532)</u> | <u>(384,865)</u> | <u>(552,534)</u> |

14. Deferred tax

Group and Company

| | £ |
|---|-----------------------|
| At 1 January 2020 | 98,376 |
| Deferred tax charge in profit or loss for the financial year (see note 8) | 19,506 |
| At 31 December 2020 | <u><u>117,882</u></u> |

Orbis Investments (U.K.) Limited

Notes to the financial statements for the year ended 31 December 2020

14. Deferred tax (continued)

| | Group and Company 2020 £ |
|--------------------------------|-----------------------------------|
| Accelerated capital allowances | 5,019 |
| Other timing differences | 112,863 |
| | <u>117,882</u> |

The deferred tax asset expected to reverse in 2021 is £5,019 (2020 - £7,529). This relates to the reversal of timing differences on capital allowances.

15. Other provisions

Group and Company

| | Incentive compensation scheme £ |
|----------------------------|--|
| At 1 January 2020 | 409,569 |
| Increase in provision | 331,235 |
| Amounts utilised | (238,435) |
| At 31 December 2020 | <u>502,369</u> |

The provision for the incentive compensation scheme relates to the estimated amounts payable by the Group to certain employees, under the terms of the incentive compensation scheme discussed in note 1.11 and note 6.

16. Called up share capital

Group and Company

Ordinary shares of £1 (2019 - £1) each

| | Number of shares issued | Share capital £ |
|---|-------------------------------|-------------------------|
| Allotted, called up and fully paid | | |
| At 1 January 2020 | 2,500,000 | 2,500,000 |
| Shares issued | - | - |
| At 31 December 2020 | <u>2,500,000</u> | <u>2,500,000</u> |

Orbis Investments (U.K.) Limited

Notes to the financial statements for the year ended 31 December 2020

17. Note to the cash flow statement

Analysis of net funds

| | At 1 January 2020 £ | Cash flows £ | At 31 December 2020 £ |
|--------------|------------------------------|-----------------|--------------------------------|
| Cash at bank | 3,158,794 | 306,687 | 3,465,481 |
| | <u>3,158,794</u> | <u>306,687</u> | <u>3,465,481</u> |

18. Related party transactions

During the year, the Company earned distribution fees of £5,143,439 (2019 - £6,973,367) from Orbis Investment Management Limited (a company incorporated in Bermuda). During the year the Company paid £11,805 (2019 - £11,708) to Orbis Investment Management Limited for administration services. At 31 December 2020, the outstanding balance receivable was £1,078,549 (2019 - £1,386,425).

The Company shares premises with Orbis Investment Advisory Limited (a company incorporated in England). During the year Orbis Investment Advisory Limited incurred certain expenses on behalf of the Company. Of these expenses, £2,211,991 (2019 - £3,751,297) were recharged to the Company and £185,995 remained payable at 31 December 2020 (2019 - £419,874).

All balances to/from related parties are unsecured, bear no interest and are payable on demand.

19. Ultimate parent undertaking and controlling party

The immediate parent of the Company is Orbis Holdings SA Limited (a company incorporated in Bermuda), which owns 100% of the Company's shares. The ultimate parent undertaking and controlling party is Allan & Gill Gray Foundation (a foundation registered in Guernsey).

Orbis Holdings Limited (a company incorporated in Bermuda) is the largest and smallest group in which the results of the Group are consolidated.

20. Subsidiary undertakings

The following are subsidiary undertakings of the Company:

| Name | Class of shares | Holding | Principal activity |
|----------------------------|--------------------|---------|--------------------|
| Orbis ISA Nominees Limited | Ordinary | 100% | Nominee company |
| Orbis Nominees Limited | Ordinary | 100% | Nominee company |

The Company has guaranteed the liabilities of both the subsidiaries of the Company in order that they qualify for the exemption under section 479A of the Companies Act 2006 in respect of the year ended 31 December 2020. Both subsidiaries of the Company meet the requirements of section 479A of the Companies Act 2006 (as inserted by SI 2012 / 2301) and are exempt from audit.

The registered address of both Orbis ISA Nominees Limited and Orbis Nominees Limited is 28 Dorset Square, London, England, NW1 6QG