



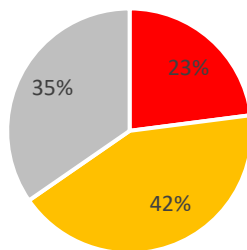
Investment structure and objective

The Baobab Equity Actively Managed Certificate is a locally listed structured equity note. The objective is to provide long-term capital growth ahead of the South African equity market by holding a focussed but differentiated portfolio of shares.

Investment strategy

The Baobab Equity AMC will represent the best equity ideas of two value-conscious boutique managers, Baobab Investment Management and ClucasGray Asset Management (CGAM). 60% of the portfolio will be invested by Baobab Investment Management in their best local and global investment ideas. The remaining 40% will be allocated to the CGAM Focussed Equity Note, a concentrated portfolio reflecting their 10-15 highest conviction local equity holdings. The combination provides a compelling, highly differentiated and complimentary proposition within a traditional equity portfolio.

Current allocation



■ Baobab IM Global ■ Clucas Gray Local ■ Baobab IM Local

Key Features

- Two boutique managers in one solution
- Unconstrained by size, index or peer group
- Exposure to under-owned areas of the market
- Ability to invest in small and mid-cap shares
- Differentiated local and global equity exposure

General Fund Information

Investment Managers	Sandy Le Roux (Baobab) Andrew Vintcent (CGAM)
Product Classification	Actively Managed
Issuer	Certificate Standard Bank
Risk Profile	High
Investment Time Horizon	5-7 Years
Benchmark	JSE Allshare Total Return
Annual management fee	0.7%
Isin	ZAE000326542
JSE Stock Code	AMC009
Inception date	15 September 2023

Performance

	Baobab Equity AMC	JSE Allshare Total Return
Since inception (Annualised)	14.5%	24.1%
1 Year	14.3%	35.8%

Top 10 Holdings (in alphabetical order)

Absa	Glencore
African Rainbow Minerals	HCI
Airtel Africa	KAL Group
Astral	Old Mutual
Bollere	Zeda

Quarterly Commentary (30 September 2025)

The Baobab Equity AMC had a strong quarter but continues to lag a very concentrated local index. The fund has exposure to gold and platinum, but these are moderate weightings given the quality of the businesses and have been reduced during the quarter into extreme strength. The largest weighting to precious metals is via African Rainbow Minerals which offers discounted exposure to the metals. As the Index becomes ever more concentrated, the benefits of holding a very differentiated portfolio with very little exposure to the index becomes more pronounced.

Both Baobab and ClucasGray continue to find numerous mispricings and have been actively buying during the quarter. One area where both managers have been buyers is in heavily discounted holding companies. Baobab has been adding to positions in Bollere and HCI, while ClucasGray has exposure to HCI, Ethos Capital and Reinet.

All of them have tangible value in the NAV, with levers to pull to unlock value by narrowing the discount. Some have embarked on a strategy to realise value, buy back shares and drive the value unlock. Others, we like to believe, are about to.

After recent additions French holding company Bolloré is now the largest position in the Baobab Equity AMC. It is not the largest position because it is part of an index or showing strong price momentum, but because we think it has very good assets that are severely mispriced and offers very strong downside protection. Over the past few years there has been transformational strategic progress at Bolloré. These include the IPO and spin-off of Universal Music Group (UMG), the timely sale of the Bolloré African and Global Logistics businesses. The unbundling of Multichoice owner Canal+ and the other operating companies from Vivendi also provides interesting potential going forward. Five years ago Bolloré had net debt of over Eur 9 billion. Today the company has net cash on its balance sheet of Eur 5.5 billion. After adjusting for the cross shareholding structure this cash equates to the full market capitalisation of the business. The current NAV per share can be summarised as follows :

Listed securities	Eur 10
Net cash	Eur 4.60
Current share price	Eur 4.60

We do not know when the value will be unlocked, but we like the assets and are confident that the enormous gap will be closed over time by a patient management team with an excellent track record.

HCI is a holding company that has created enormous value for shareholders over time, but now trades at a very large discount to its NAV. The listed component of its portfolio is worth more than the current share price – these include holdings in, amongst others, Southern Sun, Tsogo Gaming, Frontier Holdings, Platinum Group Metals and E Media. There is significant optionality in their holding in Impact Oil and Gas, something the market is currently ignoring but is unlikely to be worth zero. Investors are becoming frustrated with the size of the discount and some are overtly pushing for action. We share some of the frustration but hold management in high regard and are happy to buy shares from those that become impatient.

The Ethos Capital value unlock strategy is gathering momentum – the share price has enjoyed a strong recovery since their decision to halt new investments, harvest existing ones and repay the accruing NAV to shareholders. Shareholders have enjoyed the benefit of a rising NAV, and a narrowing of the discount to NAV at which the shares have been trading. Their most material asset is an indirect exposure to an African AI and Fintech company, Optasia - it makes up around 50% of their most recent NAV. Optasia has recently embarked on a process to list on the JSE, which is likely to lead to a further write up to the carrying value. It may also afford Ethos an opportunity to sell some or all of their holding, enabling them to return a meaningful amount of capital to shareholders.

The above are merely a few examples of holdings – each has upside, and levers to pull to unlock value. Each of the other holdings has, in our view, a compelling investment case – different businesses, different drivers, differing strategies to deliver value – all united in their ability to generate very attractive prospective returns to patient investors.

DISCLAIMER

Baobab Investment Management (Pty) Ltd accepts no liability of any sort resulting from reliance being placed upon information contained in this document by any person. Whilst every effort is made to represent accurate financial and technical information on an ongoing basis, inadvertent errors and typographical inaccuracies may occur. Information, laws, rules and regulations may also change from time to time. Information contained is therefore made available without any express or implied representation or warranty whatsoever, and Baobab Investment Management (Pty) Ltd disclaims liability for any expenses incurred, or any damage, claims or costs sustained by users arising from the reliance being placed on the use of services or any information or representations contained in this document. The materials contained on these pages are provided for general information purposes only. We accept no responsibility for any loss or damage which may arise from reliance on information contained in these pages. The document should not be seen as an offer to purchase any specific product and is not to be construed as advice or guidance in any form whatsoever. Investors are encouraged to obtain independent professional investment advice before investing. Investors should be aware that investing in a financial product entails a level of risk which depends on the nature of the investment. The merits of any investment should be considered together with the investor's specific risk profile and investment objectives. AMC and Share investments are long term investments. Baobab Investment Management (Pty) Ltd does not provide any guarantee, either with respect to the capital or the return of a portfolio. Past performance is not necessarily a guide to future performance. Fluctuations in exchange rates and underlying investments may cause the value of international investments or underlying investments to go up or down. Illustrations are not guaranteed but are for illustrative purposes only. Baobab Investment Management (Pty) Ltd is an Authorised Financial Service Provider (FSP47808). This fact sheet must be read in conjunction with the pricing supplement of the Baobab Equity Actively Managed Certificate on the Standard Bank Website. This pricing supplement can be found via this link: [Welcome to the Standard Bank of South Africa Limited](https://www.warrants.standardbank.co.za/proxy/warrants/warrantsAmcPricing.asp) and for additional information go to <https://www.warrants.standardbank.co.za/proxy/warrants/warrantsAmcPricing.asp>. Performance has been calculated using net NAV to NAV numbers with income reinvested. The performance for each period shown reflects the return for investors who have been fully invested for that period. Individual investor performance may differ as a result of the actual investment date. Full performance calculations are available from the manager on request.

Glossary

"AMC" means actively managed certificates, being notes issued by an issuer which offer investors exposure to the performance of a single portfolio of underlying assets which are discretionarily managed by a third party in terms of a pre-determined strategy.