

African Lions Fund

A British Virgin Islands Private Fund
Private Offer, August, 2020

**If you missed the “Asian Tiger”
economies, don’t miss out on
investing in the “African Lions”**



Lioness at Grumeti, Serengeti National Park © Tim Staermose 2018

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INTENDED FOR THE RECIPIENT ONLY

This Document has been prepared by

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African Lions Fund

A British Virgin Islands Private Fund
Private Offer, August, 2020

Investment Objective

The investment objective of the African Lions Fund Ltd. (**Fund**) is to achieve long-term capital growth and regular income from a long-only, concentrated, benchmark-unaware portfolio of listed securities in that derive the majority of their revenue and earnings from sub-Saharan African “Frontier” economies. This excludes South Africa, which is classified as an Emerging Market, not a Frontier Market.

Up to 10% of the Fund’s investable assets may also be held in securities issued by companies operating in Frontier markets elsewhere in the world; that is, in countries not included in the MSCI ACWI Index.

Where a company’s stock is listed is not relevant to our investment strategy. It is where the company *operates* that matters. We will consider securities listed on any exchange in the world.

Note: The Fund is denominated in US dollars. (All references to “dollars,” or “\$” in this document are made to US Dollars).

Income earned by the Fund’s investment portfolio will be retained in the Fund, and reinvested, not paid out. To get money out, you will need to make a redemption request.

Targeted returns

Obviously, we can make no representations as to likely future returns from the Fund.

Investment markets are subject to considerable uncertainty, and all manner of risks that are beyond our control.

That said, targeted returns on individual investments will be up to 4x on a 5- to 10-year time horizon — we are seeking to invest only in businesses that we estimate have the potential to:

- a) at least double their sales and profits on a 5- to 10-year view, and
- b) which trade with a big enough margin of safety and at low enough current valuations that we believe the valuation multiple could possibly also double on a 5- to 10-year view.

We won’t get them all right. And markets are sometimes not reflective of fundamentals for long periods. But, by aiming for returns of 4x in 5 to 10 years on each and every investment, we expect we will outperform our benchmark.

With the high economic growth rates and lofty returns on capital that exist in these early-stage developing markets, we expect this goal is attainable.

African Lions Fund

A British Virgin Islands Private Fund
Private Offer, August, 2020

Investment selection framework – the 8 “Ms”

We apply a stringent selection framework to our investments, which has been honed over many years of prior stock picking and funds management experience.

Macro – does this company operate in a country or jurisdiction we are comfortable with? What are the economic, political, legal, fiscal, monetary and exchange rate risks?

Market – does this company have an addressable market size large enough, and with sufficient growth potential that it can conceivably double its business over the next 5 to 10 years?

Model and Moat – does this company have a superior business model, and a sufficiently strong competitive advantage and wide enough moat around its business to sustain its superiority over time?

Money – does the company have a rock solid balance sheet, preferably with no net debt – unless operating in the financial or real estate sectors – which means it can withstand any catastrophe, and live to fight another day?

Management – is the management team ethical and competent; not just in business, but in life? Are they the sorts of people you would do business with privately, on a handshake?

Multiple – does the company’s equity trade at a low enough multiple of earnings, cash flow and book value that it can conceivably trade at double that multiple at some point in the next 5 to 10 years, or at some point over the course of the business cycle?

My fellow shareholders – as the Investment Manager, we want to know who else owns a part of the African businesses The African Lions Fund Ltd. is investing in. If they are controlling shareholders, are their interests aligned with ours, and do they treat minority shareholders fairly and respectfully? Are there enough shares that are not closely held that the company’s stock is sufficiently liquid?

My exit – we also want to know (before making any investment) under what circumstances we would exit that investment, and how that exit might be accomplished, if not via a liquid market? Our thesis is that liquidity in our target markets will generally improve over time. And as long-term investors that will benefit us. But we must be prepared to deal with the risks of illiquid investments.

Investment process

1. We have identified and compiled a comprehensive database of all listed equities trading in sub-Saharan Africa on stock exchanges that are open to foreign investment. We keep this up to date and amend it periodically.

African Lions Fund

A British Virgin Islands Private Fund
Private Offer, August, 2020

2. We regularly screen, at a country level, macro variables such as GDP growth, inflation rates, interest rates, money supply growth, bank credit, tax rates, government spending, and budget balances. We consider political risks, market regulation, the legal environment, law and order situation, general investment climate, and variables affecting the country's external debt position and foreign exchange market dynamics, such as trade and current account balances.

For any country where any of these macro variables alone, or combined with others, is such that they constitute an unacceptable risk to our capital, we don't invest; or if already invested, we will suspend our investing activities and exit.

3. We screen our universe of potential investments based on market size and liquidity (heavily influenced by free float). Many companies in countries where we invest are closely held. Given we want to own only between 10 and 20 stocks, and generally, we want to invest meaningful amounts in each, this necessarily limits what we can invest in, based on the size of the Fund.

To illustrate: if the Fund has \$5mn under management and we are comfortable owning 10 stocks, we have up to \$500,000 to invest, initially, in any one name. We will generally require the company to have a free float worth at least \$5mn in this scenario. Only in exceptional circumstance will we take a position greater than 10% of a company's free-float.

As we grow, we will find our options restricted to progressively larger companies. While there is no strict cap on the size of the Fund, at this stage we do not envisage the Fund growing to more than \$30mn.

4. Our research process at the company level begins with downloading all relevant publicly disclosed announcements by the company, going back as far as necessary for us to get comfortable.

This includes annual reports, unaudited results announcements, dividend declaration notices, annual meeting notices and minutes, and periodic disclosures to the stock exchanges, as well as any other material the company has published, for example via its own website, or the via the media.

After we review the company's primary source documents, assuming we are interested in digging deeper, we will read third-party articles and reports about the company in question.

We will also familiarize ourselves with the fundamentals of the industry in which the company operates, both in its local country context and around the world, noting any peculiarities or particular advantages or challenges in the country concerned.

As long as the third-party commentary and a thorough review of the industry dynamics do not bring to our attention something negative that we may have

African Lions Fund

A British Virgin Islands Private Fund

Private Offer, August, 2020

missed, which rules out investing, we will then progress to the next stage. This is where we talk to and meet face to face, where at all possible, with management.

We will also endeavor to speak with the company's competitors, customers, suppliers, and anyone at all who might have direct, first-hand knowledge of how the company conducts its business and treats its stakeholders.

5. Assuming we want to invest in the company after all this research is complete, we will determine a price at which we are comfortable to buy shares and, if within that target range, begin to accumulate a position.

We are long-term investors and having to slowly build positions in relatively illiquid or infrequently traded stocks does not faze us. We have considerable prior experience with such stocks and have grown accustomed to executing such trades.

Liquidity is never constant, and if our investment thesis proves correct, there should be opportunities to exit in future when the stocks we own become much more popular and actively traded following consistent business success, and / or the markets in which they are listed enjoy a return to favour and sentiment shifts.

To sum up, we are contrarian value investors by style. We will exit on price strength, once our targeted investment returns are met.

6. We will monitor existing positions to ensure that nothing has permanently or irrevocably altered with our investment thesis or initial assessments and forecasts.

Where we find we have made a mistake, where new information contrary to our original investment thesis comes to light, or where a company's prospects are fundamentally damaged, we will exit the position. Company fortunes can change rapidly and as such, what seemed a good investment at the time of our initial investment may not prove to be so in future. This is the nature of investing.

7. Where a stock has appreciated significantly, and the valuation has become stretched in our view, we will sell part or all of our position. When fully invested, we may also sell and reallocate capital, if we find an alternative investment of similar quality, with equal growth prospects, but which is trading at a much lower valuation.
8. If there are no suitable investments to make, we will hold cash or fixed-interest investments rather than equities.

Portfolio construction, risk control and risk mitigation

At the time of initial investment, **no more than 20% of the Fund's net asset value will be invested in any one security.**

African Lions Fund

A British Virgin Islands Private Fund
Private Offer, August, 2020

We do not envisage **having more than 50% of the Fund exposed to any one country** at any time. As the Fund grows in size, we envisage greater country diversification.

The Fund will generally hold fewer than 20 individual investments.

We do not believe it is possible to accurately track and intimately understand more than 20 investments at any one time, given the resources presently available to us.

The Fund may hold up to 100% of its investments in cash if no suitable investments are identified. The Fund may hold cash in any currency.

The Fund will not use leverage or borrow money at the fund level. As is normal business practice, companies that we invest in may borrow as part of their normal operations.

The Fund will invest only listed equities. It will not initiate positions in unlisted companies. Where a formerly listed company is delisted or suspended from trading, we may decide to continue to hold. The Fund will also sometimes hold bonds or fixed interest and cash investments.

The Fund employs a strict position-sizing methodology. At no time will we initiate an exposure to a single investment where, in our estimation, the worst-case scenario for that specific investment could see the total value of the Fund decline by 5% or more.

For example, if we assign a probability that, in a worst-case scenario (barring completely unforeseen force majeure events), a single security could decline in value by 50%, we would not invest more than 10% of the Fund's total assets in that one security.

It is possible that in some market circumstances the Fund's total value may decline by more than 5%, but given our portfolio construction methodology, our risk parameters are set such that no single security should contribute more than 5 percentage points of that overall decline – except in completely unforeseen circumstances.

We use a probability-weighted, “expected value” methodology to assess risk and hypothesize target prices.

We are fundamentals-driven, value investors and contrarian by nature. We do not employ technical analysis or stop losses.

We believe in mitigating the risk of permanent capital loss by careful analysis, rigorous stock selection, and always seeking an adequate margin of safety, large enough that if for some reason we are wrong in the short term, in the long term it is difficult to envisage losing money.

We will not hedge exchange rate exposures but will consider likely exchange rate moves in our investment decision making process. (See **“Risk Factors”** section for more detail.)

African Lions Fund

A British Virgin Islands Private Fund
Private Offer, August, 2020

Costs, Expenses and Fees

1) Management fee and rationale

The management fee is set initially at **1.5% per annum** of total funds under management charged pro-rata, quarterly in arrears. We may review this periodically if the fund scales up in size.

Running a regulated and compliant funds management business in this day and age involves numerous fixed costs that apply whether you are a tiny start up fund, or a large, seasoned operator.

The Fund has a licensed and regulated **Investment Manager** in Australia – **ST Funds Management Limited**.

Estimated annual costs: \$75,000

These running costs are **paid by the Investment Manager** out of the management fees it receives from the Fund. The Investment Manager is not aiming to make profits from the management fee, only to cover costs.

If the Fund is not of sufficient scale initially that 1.5% will cover the Investment Manager's costs at this fee level, the Investment Manager will bear any losses incurred in the start-up phase.

2) Expenses Paid by the Fund

- a) **Administrator.** We have an independent, third-party Administrator, **Circle Partners**, to run the Fund's day to day operations.

Circle Partners is a respected, independent, global firm with over 100 employees in jurisdictions around the world, including The Netherlands, Luxembourg, Slovakia, Singapore, Hong Kong, United States, Cayman Islands, and Curacao. It has been operating in the funds services business for more than 20 years. For more details, see <https://www.circlepartners.com/>.

The Administrator will do the on-boarding, and "know your customer (KYC)" due diligence on all prospective investors, collect subscription money and transfer it to our brokerage accounts, pay out redemptions to clients when they leave, prepare our annual accounts for audit, manage our banking and broking relationships, track the Fund's performance, compute management and performance fees, and prepare monthly statements and annual tax documentation for all our investors.

Estimated annual costs: \$30,000

- b) Brokerage commissions and any associated trading charges (taxes, exchange fees or levies) will be paid out of Fund assets, as we place trades.

African Lions Fund

A British Virgin Islands Private Fund
Private Offer, August, 2020

- c) We will have one or more **Custodians** to hold the Funds' assets, independently of the brokerage firms we trade through.

Estimated Custody Fees are in the order of 0.35%-0.50% per annum (35-50 basis points of total assets under management), depending on the individual markets concerned, and will be paid from the Fund.

- d) **Audit fees.** The Fund has appointed Baker Tilley in Singapore as auditor.
- e) Annual filing fees, registered office fees, and other recurring **operational costs** of running the legal structure in the BVI.

3) Performance fee

The **Investment Manager** will earn a performance fee of 15% of any outperformance above the **S&P Africa Frontier BMI (USD) Total Return Index**, which is our benchmark (see details in "Benchmark" section below), subject to a high-water mark.

For instance, should the Fund return 20% in its first year, but the benchmark only rise 10%, the Investment Manager will earn 15% of the 10% outperformance, net of all other fees and costs.

If the Fund were to be down 10% the following year, but the benchmark was flat, the Fund would need to get back to the previous high-water mark (the level at the end of year 1) before the performance fee begins accruing to the Investment Manager again.

Effectively, this means that **you will never pay a performance fee in a down year**, even if the benchmark declines by more than the Fund.

The performance fee is paid annually in arrears.

Due to subscriptions being possible monthly and redemptions being possible quarterly, it may be that different investors owe different amounts of performance fees due to timing differences. Rest assured that these fees will be accurately and individually apportioned to each investor by means of "Series Accounting," so that **all investors in the Fund are treated equally at all times, and pay their fair share of fees.**

For example, shares are issued at \$1 to the original investors in the Fund. The Fund is down 5% in its first quarter of operations. A new investor enters at 95c per share. By year end the Fund is at \$1.15 per share. The benchmark is flat at \$1.00.

The original investors are charged a performance fee of 15% on \$0.15 per share.

The investor who came in at the end of the first quarter is charged 15% of \$0.20 per share.

Again, we are not aiming to make money from the management fee. It is there to cover costs. We are aiming to make money only from Performance fees.

African Lions Fund

A British Virgin Islands Private Fund
Private Offer, August, 2020

The Management and Performance fees are independently calculated by Circle Partners, our Administrator. In the case of management fees, they are paid quarterly in arrears, and in the case of performance fees, annually in arrears.

Benchmark

S&P Africa Frontier BMI (USD) Total Return Index

Ticker : STEIAFDP

Index covers 130 listed companies in the sub-Saharan frontier market countries of Botswana, Cote d'Ivoire, Ghana, Kenya, Mauritius, Namibia, Nigeria and Zambia

For full details: <https://us.spindices.com/indices/equity/sp-africa-frontier-bmi#overview>

Note that the Fund will not necessarily closely track this index in its portfolio construction.

We are using returns from this generic African frontier markets index as the ***hurdle rate*** for calculating our performance fees.

Our aim is to outperform this benchmark with varied stock selection that follows our own proprietary process, without regard to the index.

The Investment Manager reserves the right to review this benchmark from time to time. A review will be prompted, for example, if the benchmark index is altered materially by the index provider; or, if for some reason the benchmark ceases to adequately and accurately represent the universe of securities that the Fund's mandate allows it to invest in.

Any change of benchmark will be communicated at least one quarter in advance, and should you disagree with the new benchmark you will be given the opportunity to redeem your investment well ahead of any change, at no cost.

Investment Time Horizon

This is a long-term investment strategy.

We view this strategy through the lens of a 5-to 10-year investment horizon. Ideally you should, too. However, we don't intend to impose any "lock-ups."

Frequency of Valuations and Reporting

Valuations of the Fund are performed monthly. You will receive a valuation statement monthly.

African Lions Fund

A British Virgin Islands Private Fund

Private Offer, August, 2020

You will also receive a quarterly **Investment Commentary** from us during the month following the end of each quarter.

Redemption, and additional investment guidelines

Should you need to, you will be able to redeem money at the end of each quarter, by contacting Circle Partners who handle all such requests.

But you need to give us notice. The markets in which we invest are not big and liquid. It may be necessary to arrange off-market block sales if we are forced to raise funds for redemption, or to sell investments slowly in small amounts on market.

You can invest new money in the Fund at the end of any month. Cleared funds need to be received by the administrator by 4pm Singapore time on the final business day of the calendar month.

You can redeem money at the end of any quarter – March 31, June 30, September 30 or December 31. But you need to give us at least 90 days' notice.

For example, if you want to redeem at the end of the June quarter – you need to put in a redemption request by March 31. Effectively, **your redemption request must be made three months before you intend to have the money.**

Redemption fee

It is necessary to impose a nominal **redemption fee of 1%** on those exiting the Fund, paid to the Fund at the time of their exit, to cover the cost the redemption imposes on the Fund.

Transactions costs and charges in the markets where we invest are high by global standards. (Usually in the range of 1% to 2%). Effectively, the redemption fee means you pay your own transactions costs on exit, rather than being subsidized by those investors remaining in the Fund.

Minimum initial investment, and minimum subsequent investment / redemption

A BVI Private Fund has no prescribed minimum investment.

Typically, people we have consulted during our product development phase are comfortable investing \$25,000 to \$50,000, at least. A good number will potentially invest much more.

We have set a minimum of \$25,000.

You should think about what is appropriate for your circumstances. We cannot give you tailored financial advice. Consult your investment advisor or accountant, as appropriate.

African Lions Fund

A British Virgin Islands Private Fund
Private Offer, August, 2020

It is the Investment Manager's opinion that our target markets currently offer very attractive and depressed valuations. **A good time to invest a significant portion of what you ultimately decide to invest is NOW.** There is no guarantee that if you wait to see how the Fund is performing after starting up that valuations will be as attractive as they are now.

Do not invest more than you can afford to live without.

This is a high-risk investment in the short term. It is possibly less risky over the medium and long term. History shows that value investments can trade below intrinsic value for long periods.

See the "Risk Factors" section for a full disclosure of all the risks we can identify, and we would want to know about ourselves, if our positions were reversed. Note that the list may not be exhaustive.

We reserve the right to not accept initial subscriptions under \$25,000. But we will consider taking smaller amounts in exceptional circumstances.

Each subsequent investment contribution you make must be at least \$5,000. Again, you can do so monthly.

Each redemption you request must also be for a minimum amount of \$5,000 unless you are redeeming your entire investment and it has fallen below \$5,000. You can do so quarterly.

Limits on investment subscriptions from certain jurisdictions and classes of investors

We are licensed to provide general financial advice to both retail and wholesale investors in Australia.

However, this offer is not made under Australian law, and no offer document has been prepared under the laws of any country other than the British Virgin Islands where the Fund is incorporated.

You warrant that:

- we have not solicited you for an investment
- *you* found us and expressed an interest to us
- the offer to invest is made privately, to you personally, directly by us and not through any financial intermediary or via any generally available public notice, offer, or invitation to invest.

If you are a Sophisticated or Accredited investor under the laws of the jurisdiction where you reside, we will ask you to submit with your investment application the appropriate

African Lions Fund

A British Virgin Islands Private Fund

Private Offer, August, 2020

paperwork. We can assist with explaining what these criteria are and what paperwork you must provide.

All investors in the Fund will be asked to acknowledge, by signing the appropriate section of the Subscription Form which will accompany the Private Placement Memorandum (PPM or “offer documents”), that they are **not protected by the financial regulators** in the jurisdiction where they reside when it comes to an investment in the African Lions Fund Ltd, which is a BVI entity.

If you are resident in Australia, please note that we will not be accepting more than 20 investors who are not Sophisticated or Qualifying investors under s708 of the Corporations Act 2001 (Cth). And we will not be accepting more than A\$2 million in total from these 20 investors.

If you are a US Person (resident, citizen, or Green Card holder) please note that we can only accept up to 15 US Persons in total for the Fund, relying on the Exempt Foreign Advisor Provisions of the Dodd-Frank Act.

It may be necessary for us to reject applications from US persons over and above the 15-person threshold. It is thus in your interest, if you are a US person, to invest as large an amount as you are comfortable with, to improve your chances of being among the 15 US persons we accept.

If you are not one of the 15 persons we initially accept, you can choose to be put on a waiting list, and you may be invited to invest if another US investor subsequently redeems and exits the Fund.

If interest from US Persons is sufficiently large, we will examine the possibility of putting in place the necessary infrastructure to become licensed to accept further US clients in future.

We have no way of knowing at this stage how popular the Fund will prove. So, we apologize in advance if you want to invest but we are unable to accept your subscription.

Risk Factors

This list is **not designed to be exhaustive**. The following are some of the risks we have identified and want to share with you. There may be other risks we have not been able to identify or think of. The Fund’s legal offer documents will contain a more comprehensive list of risk factors.

- **Market risk.** Stock markets are volatile. Prices for shares go up and down.
- **Liquidity risk.** It may or may not be possible to execute buy and sell orders at the prices we desire in the quantity we desire at the time we desire, without significantly disturbing the prevailing market price.

African Lions Fund

A British Virgin Islands Private Fund
Private Offer, August, 2020

- **Stock specific risk.** The companies we invest in may not perform as well as we expected. They may not in fact make the profits we expect at all. Even if they do, their share prices may not reflect their fundamental performance in a timely manner, or at all.
- **Macro risk.** The macro environment in the countries where we choose to invest may deviate from what we expected. Also, it may deteriorate for reasons that are completely beyond our control.
- **Country risk / Jurisdictional risk.** Countries where we invest may change their investment laws. They may institute controls on the free movement of money in and out of their country. They may impose restrictions or caps on foreign investment.
- **Key personnel risk.** We have endeavored to put in place an adequate contingency plan should any of our key personnel be incapacitated or unable to perform their duties. The Fund's management shares are owned by ST Funds Management Limited so that it may carry on the business and its board may decide the appropriate course of action, in the case any key personnel are unable to perform their duties.
- **Exchange rate / Currency / Inflation risks.** The Fund is denominated in US dollars. We will invest primarily in the local currencies of those economies where we take exposures. You are therefore exposed to exchange rate fluctuations – both fluctuations in the currencies of our underlying investments against the US dollar, and fluctuations in the US dollar versus your own home or base investment currency.

While not in our control, we do consider such likely fluctuations as part of our investment process and aim to avoid unnecessarily risky currency exposures. We also try to build in extra margins of safety to account for currency effects and any deleterious impact they may have on investment returns. We do not however use any currency hedging strategies as they are simply too costly to be effective.

Ultimately, you acknowledge that even the US dollar presents inherent risks to your purchasing power. Over time, **all currencies tend to lose purchasing power** and buy less goods and services than they once did, due to inflation.

- **Counterparty risk.** The intermediaries the Fund uses and relies on, such as, but not limited to, the Investment Manager, Administrator, our Broker(s), our Bank(s), our Custodian(s), our Accountant(s), our Auditor(s), and our Legal Advisor(s), and the Stock Exchanges we trade through, may not adequately perform the function expected of them, or become incapacitated or *unable* to perform the function expected of them, *when* it is expected of them.
- **Quotation risk.** It may become difficult or even impossible to accurately value one or more of our investments in some circumstances, if an accurate, active, arms-length market in its securities ceases to exist for a time, or permanently.

African Lions Fund

A British Virgin Islands Private Fund
Private Offer, August, 2020

Where a stock is not actively traded via the exchange where it is listed, we will use off-market block transactions as the reference price, or the highest bid price where there is a live bid, or the lowest offer price where there is a live offer, but no live bid, and no recent off-market transaction price for reference.

In other circumstances an auditor or other independent third party valuer may be called upon to provide a fair value estimate. We will always endeavor to err on the side of conservatism when valuing our investments.

To account for the possibility that the Auditor may, at year end, disagree with the Administrator's valuation of any securities for the purposes of redemptions made during the year, we reserve the right to withhold part of the redemption money an investor in the fund may be due, until such time the annual audit is finalized. Such amounts withheld will be promptly paid to the investor (without interest) as soon as audited accounts are prepared on an annual basis.

We will naturally, at all times, in all things we do when managing *your money* do our level best to diligently mitigate all those risks that are in our control.

We will also aim to avoid situations in which we unnecessarily expose your capital to risks that are beyond our control.

At all times **we will consider the downside of any action we may take first**. Only when the downside risk is deemed acceptable, will we act.

Risk is a fact of life. There is risk in *everything* that you do. You accept this. And you warrant you have considered it carefully, before making any decision to invest in the African Lions Fund Ltd.

Our offering documents will point out all these risks and more. But we provide this plain-English summary of the risks, because that is what we would want to see if our roles were reversed.

The above does not, however, constitute a substitute for reading the full details of the risks as disclosed in our offering documents, and our legal disclaimers.

About the Investment Manager

ST Funds Management Limited is an Australian unlisted public company owned by Tim Staermose and Chor Leng (Peter) Tan.

The Fund is not a registered managed investment scheme under Australian regulations, nor is it an offer made within Australia. As such investors should expect no oversight from Australian authorities as to the operation of the Fund.

African Lions Fund

A British Virgin Islands Private Fund
Private Offer, August, 2020

However, the Manager does hold **Australian Financial Services License Number 416778** and is authorised to provide general financial advice to both retail and wholesale investors in Australia.

As such, investors may benefit from the regulatory oversight as it relates to the professional conduct of the Manager.

Mr. Staermose and Mr. Tan each have decades of experience in investment markets, having met in 2001 as colleagues in the Equity Research Department at Lehman Brothers (Asia) Limited in Hong Kong.

Mr. Tan is an Executive Director, and Chairman of the Board of ST Funds Management. Mr. Staermose serves as the company's CEO. Mr. Tan resides in Singapore. Mr. Staermose is currently a resident of Hong Kong.

Mr. Tan is a qualified Chartered Accountant with Bachelor's degrees in Accounting and Computer Science from Murdoch University in Western Australia. In recent years, Mr. Tan has been a full-time private investor. He shares his ideas and provides regular commentary at <https://double-digit-dividends.com/>

Mr. Staermose has Bachelor's degrees in Economics and Asian Studies (Korean) from the Australian University in Canberra. Mr. Staermose is currently Chief Investment Strategist at Sovereign Man where he also writes *The 4th Pillar* newsletter focused on deep value investments around the world.

He has also historically managed a number of individually managed accounts for high-net-worth individuals, and an Australian, unlisted investment company Wonfair Investments Pty Ltd, which focuses among other things on deep-value activist investments.

Mr. Staermose plans to devote substantially all his time spent managing investments to the African Lions Fund Ltd., once it is established.

Mr. Staermose writes extensively at his website <https://globalvaluehunter.com/>

Mr. Staermose was born in Dar es Salaam, Tanzania, in 1973. His parents were working in the country as volunteers for the Danish government's foreign service.

He grew up all over the world, in Tanzania, Denmark, Egypt, Singapore and Australia – where he completed his higher education. He has an unorthodox background. It shapes his approach to investing and life.

His unusual background means he often see things differently from mainstream finance professionals. Former colleagues have been known to call him “iconoclastic.”

In 1996, straight out of university, Mr. Staermose left to work in the investment markets in South Korea. Since then, he's also lived in The Philippines, Hong Kong, and Indonesia.

African Lions Fund

A British Virgin Islands Private Fund
Private Offer, August, 2020

Mr. Staermose entered the financial markets at the tail-end of the “Asian Tigers” boom. He also saw first-hand the Asian financial crisis.

During his 25-year career in Asia, he has witnessed economies such as South Korea go from middle-income to wealthy inside a generation. He has witnessed the extraordinary rise of China and other Asian economies, such as Thailand and Indonesia, as they went from poor to lower-middle income economies within a generation.

He sees the same possibilities in Africa.

These days, Mr. Staermose mainly divides his time between Hong Kong and Bali, where he lives with his Indonesian wife and two young daughters.

Mr. Staermose and his family are looking forward to relocating to Africa, should the African Lions Fund Ltd. grow sufficiently in size and popularity to warrant it.

It is our firm belief that having “boots on the ground” in Africa will provide the Fund with a distinct competitive advantage over most of its peers.

The other, independent, **Non-Executive Directors** of ST Funds Management Limited, are:

Mr. Andrew Meakin; who also serves as the Responsible Manager and “key person” on the Australian Financial Services License. Mr. Meakin has over three decades of experience in banking and finance, as well as real estate.

He formerly served as Responsible Manager on the license of multi-billion dollar Australian asset manager ETF Securities. Mr. Meakin resides in Sydney, New South Wales.

Mr. Shaun Stone; who also serves as the Company Secretary. Mr. Stone has decades of accounting experience and public company board and secretarial experience with USA Residential Funds Management Limited, ST Funds Management Limited’s predecessor company. Mr. Stone resides in Melbourne, Victoria.

How to Invest

To make an investment in the African Lions Fund Ltd., please read and carefully consider our Private Placement Memorandum (PPM), which will be released in the near future.

In it, there is an Subscription Form.

Please fill it out, and submit it along with the required supporting documentation to the Administrator, Circle Partners, according to the instructions on that form.

African Lions Fund

A British Virgin Islands Private Fund
Private Offer, August, 2020

Should you have questions in the meantime, you may contact:

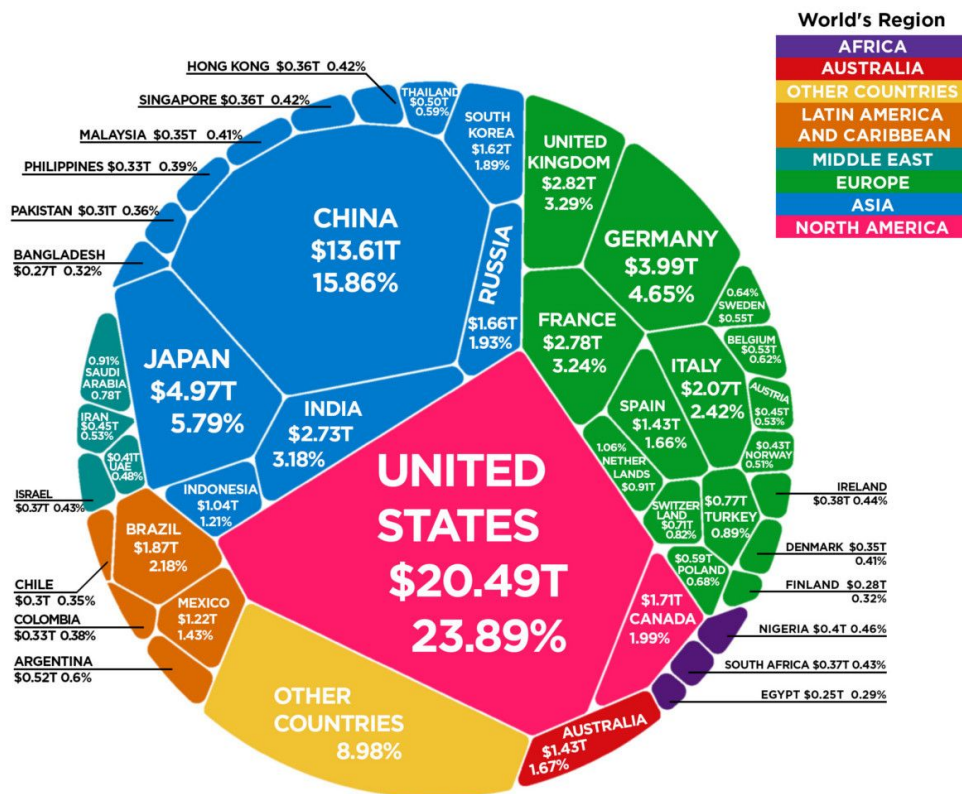
Tim Staermose, at tim@stfundsmanagement.com

Or, admin@globalvaluehunter.com

We also strongly suggest consulting with your own financial and legal advisors to determine if this investment is appropriate for your circumstances. Finally...

The room for growth in Africa is enormous

The largest economies in Africa today, Nigeria and South Africa, are comparable in size to tiny countries like Denmark, Ireland, Singapore and Hong Kong. Africa's population is about the same size as China's, but China's economy is 10 times larger. Africa's demographics are extremely favourable, and it is our belief that this will turn the current situation on its head over the coming 30 to 40 years. That's the opportunity, in a nutshell.



Article & Sources:

<https://howmuch.net/articles/the-world-economy-2018>
<https://databank.worldbank.org>

howmuch.net

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Giraffes on the rim of Ngorongoro Crater © Tim Staermose 2018



Buffaloes in Nairobi National Park © Tim Staermose 2018