

The Network Forum (“TNF”)

Equity and bond markets update

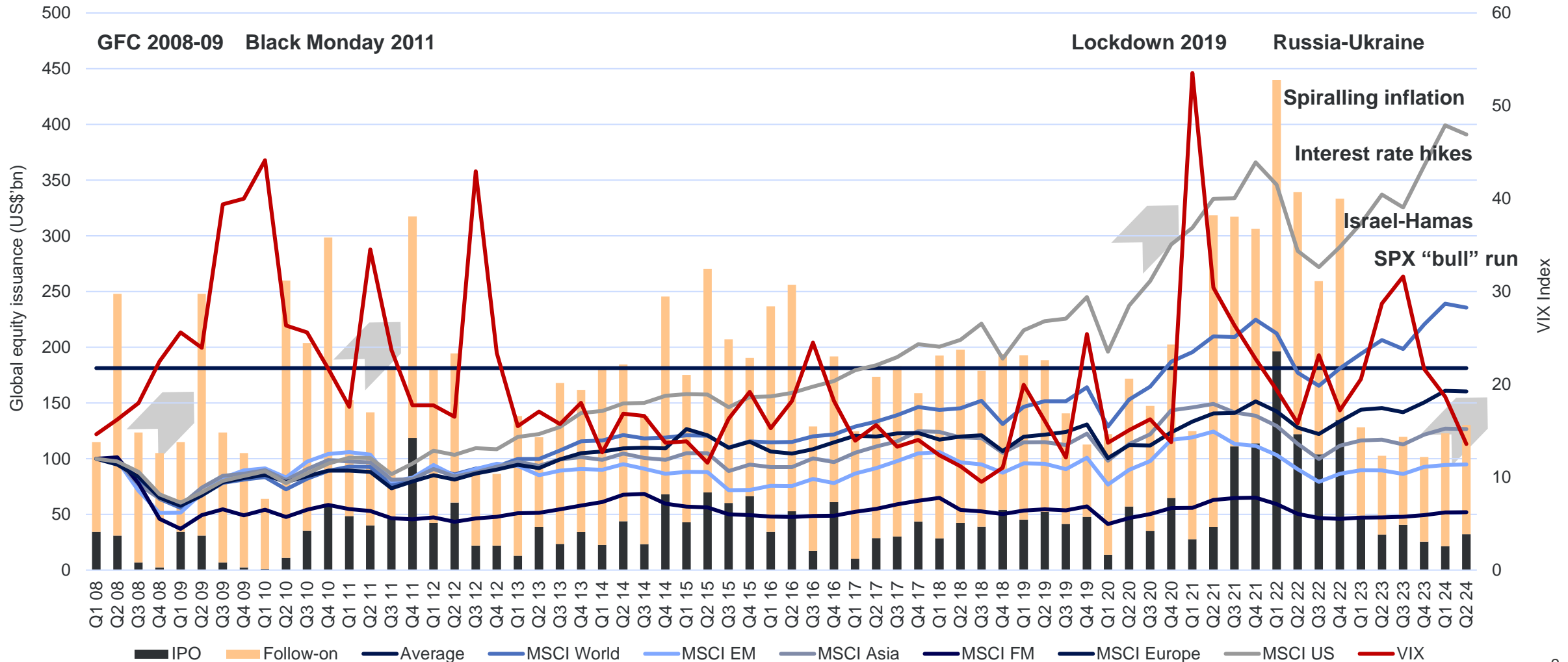
Standard Bank

April 2024



Equity issuance markets have kicked off 2024 with strong momentum

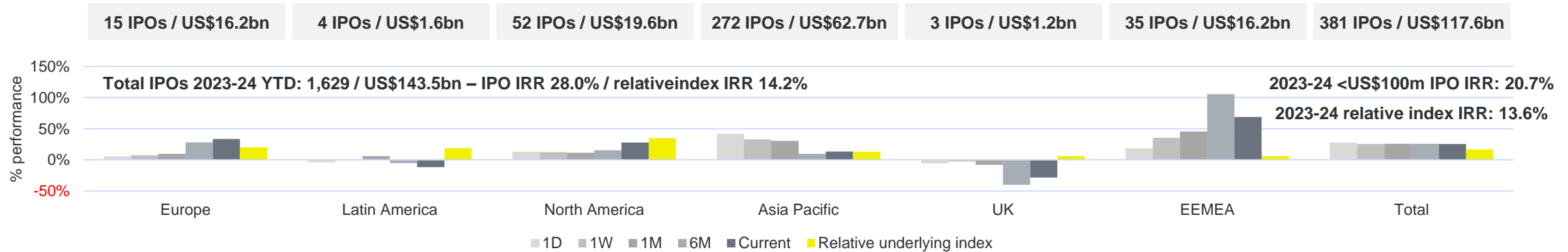
Are we on the brink of the next equity issuance super-cycle?



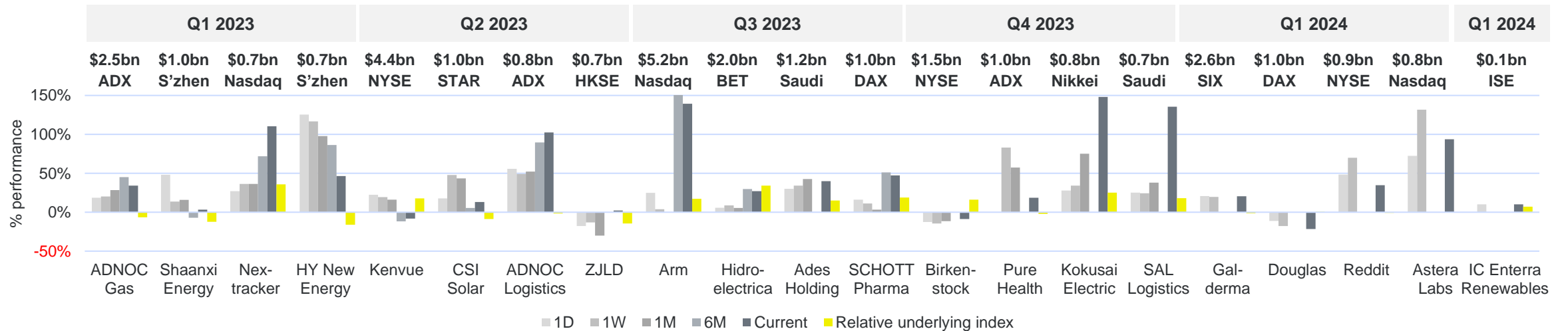
IPO mythbusting: the asset class has in fact outperformed globally



>US\$100m IPO performance by region through the 2023-24 economic downturn by geography (381 IPOs >US\$100m in the period)

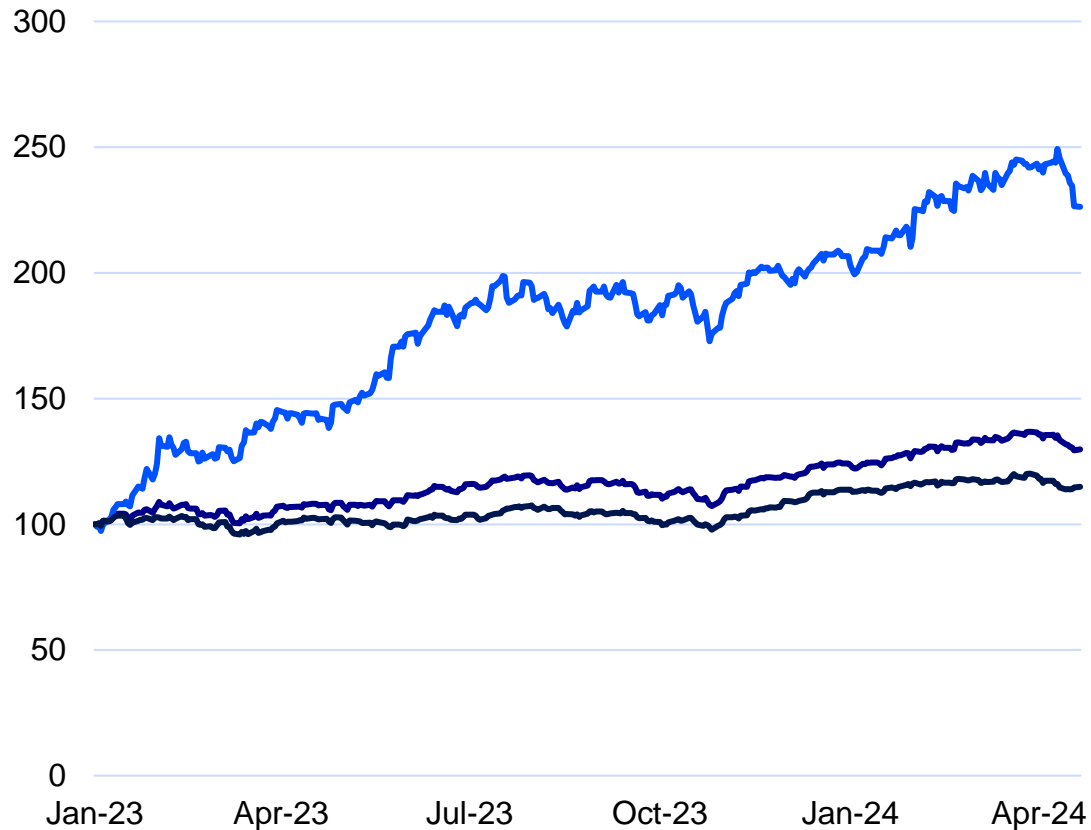


The world's largest IPOs through the 2023-24 economic downturn, only 3 out of 21 trading below relative index performance



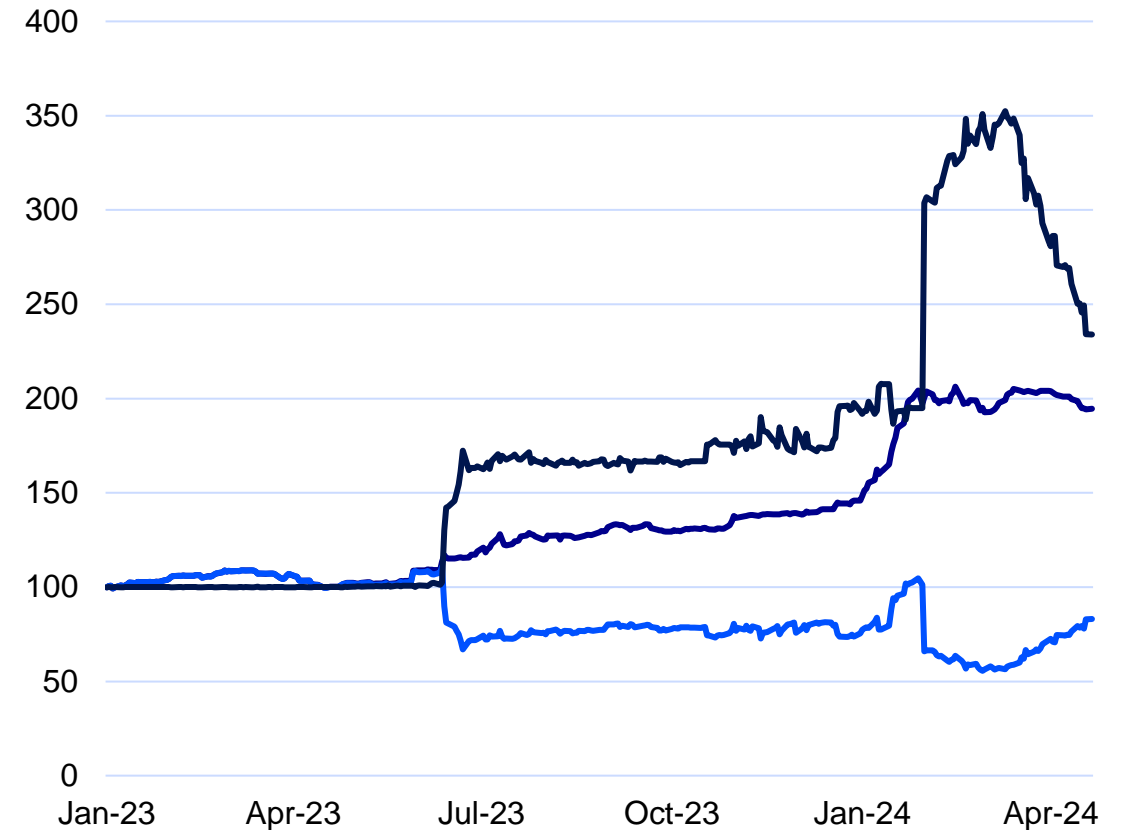
...however, the devil is often in the detail...

US outperformance dominated by the “Magnificent 7”



— S&P500 — "Magnificent 7" — Dow Jones

“Spotlight” on Nigeria



— NGX A/S (NGN) — NGX A/S (US\$) — NGN/USD

Global custody as a gateway to building African exchange fungibility

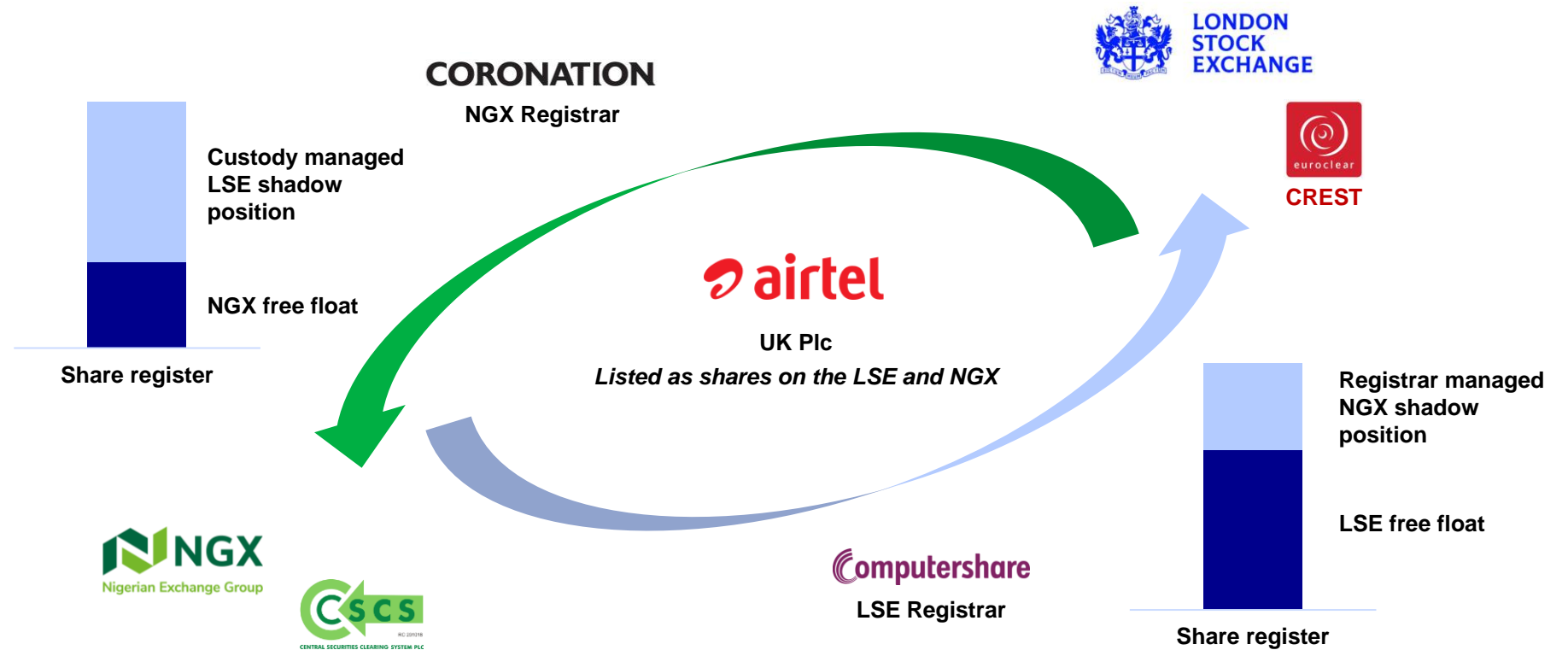
Growing requirement to enfranchise investors through localisation

Africa's less liquid markets have not historically benefitted from direct links to offshore exchanges

Custody to facilitate cross-border reconciliation to counter Registrar / issuance / share transfer inefficiency

Shares transferable cross-border within a trading cycle (previously weeks)

Gateways for crystallising tax and FX compliance and regulation



African investment environment: all eyes on FX



FX devaluation and availability, coupled with inflation and interest rate hikes are front and centre for investors focused on the Continent today



FX situation not a barrier to investment but a clear pricing level determinant. Growing clarity on FX in Nigeria has reduced the investor “spread”



No need to shift away fully to “hard currency growth” as this is overly punitive on real business performance... but investors will expect clear articulation of risk and an executable hedging or portfolio strategy to manage exposures



Essential to ensure the African voice is articulated and heard in constructing the equity story positioning... Near-term African macro factors are not going away, investors will reward full disclosure and management strategies



Read-through for the near-term public markets outlook for Africa

Market windows are showing green-shoots but they are changing

First-mover advantage key, be ready

Market volatility has provided a long overdue valuation reset

However, markets are still trading at all-time highs

Strong start to 2024 not yet seen crossover into African IPO activity

Landmark IPOs could trigger Africa IPO relaunch

Investors have been punitive on issuers missing market guidance

Stability and pathway to profitability rewarded

IPO performance has been strong in the mid-term

Regardless, the exceptions continue to get all the headlines



arm

Subdued IPO aftermarket following 25% first day gain, 1M gain tracks down to 2.1%

...now +153.4% since US\$5.2bn September Nasdaq IPO (85.1x EV/2024 EBTDA)

- 14.2x (EV/2024 EBITDA)
 - 18.9x
 - 14.9x
 - 24.6x
 - 33.5x
 - 29.8x
 - 13.8x
- MAGNIFICENT SEVEN**

adyen

Share price falls 59.5% on back of August 2023 profit warning

EMEA fintech hit hard across board (Worldline, CAB Payments, Nexi), with negative news flow

Adyen +136.6% since sell-off on back of strong Q3 2023 numbers



DISCLAIMER



If you received this document in error, please immediately return the document and other related documents to Standard Bank. On receipt of this document, you agree to be bound and are deemed to understand that:

This presentation is provided for information purposes only on the express understanding that the information contained herein will be regarded as strictly confidential. It is not to be delivered nor shall its contents be disclosed to anyone other than the entity to which it is being provided and its employees and shall not be reproduced or used, in whole or in part, for any purpose other than for the consideration of the financing or transaction described herein. If this presentation has been received in error it must be returned immediately to The Standard Bank of South Africa Limited ("Standard Bank"). This is a commercial communication. The information does not include a personal recommendation and does not constitute an offer, or the solicitation of an offer for the sale or purchase of any financial product, service, investment or security. The information, investments and/or strategies discussed here may not be suitable for all investors; if you have any doubts you should consult your investment advisor.

No liability is accepted by Standard Bank and/or any affiliate, subsidiary or branch thereof (the "Standard Bank Group") whatsoever for any direct or consequential loss arising out of reliance upon all or any part of the information contained in this presentation. You are not relying on any communication (written or oral) from any member of the Standard Bank Group as investment advice or as a recommendation to enter into any transaction; it being understood that information and explanations related to the terms and conditions of a transaction shall not be considered investment advice or a recommendation to enter into that transaction. No communication (written or oral) received from any member of the Standard Bank Group shall be deemed to be an assurance or guarantee as to the expected results of that transaction. The investments discussed may fluctuate in price or value. Whilst every care has been taken in preparing this presentation, no member of the Standard Bank Group gives any representation, warranty or undertaking, express or implied, and accepts no responsibility or liability as to the accuracy, or completeness, of the information, statement, assumption or projection contained in this presentation. Past performance is not indicative of future results.

For the avoidance of doubt, our duties and responsibilities shall not include tax, advisory, legal, regulatory, accounting or other specialist or technical advice or services. You are to rely on your own independent appraisal of and investigations into all matters and things contemplated by this presentation. By accepting this presentation, you agree to be bound by the foregoing limitations. Kindly note that this presentation does not represent an offer of funding since any facility to be granted in terms of this presentation would be subject to the Standard Bank Group obtaining the requisite internal and external approvals.

International

UK

This information is not intended for the use of retail clients and must not be acted on or relied on by persons who are retail clients. Any investment or investment activity to which this information relates is only available to persons other than retail clients and will be engaged in only with such persons. Standard Advisory London Limited ("Standard London") is authorised and regulated by the UK Financial Conduct Authority. This presentation is for distribution in the UK only to, and is only intended to be directed at, persons within paragraphs 19(5) or 49(2) (a) to (d) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended). Persons into whose possession this information comes are required by Standard London to inform them about and to observe these restrictions. Telephone calls may be recorded for quality and regulatory purposes. Standard Advisory London Limited, 20 Gresham Street, London, EC2V 7JE.

United States

In the US, the Standard Bank Group is acting through its agents, Standard New York, Inc. and The Standard Bank of South Africa Limited, Representative Office. Standard New York, Inc. is a member of FINRA and SIPC and it is neither a bank, regulated by the United States Federal Reserve Board, nor insured by the FDIC. The Standard Bank of South Africa Limited, Representative Office is regulated by the New York State Department of Financial Services and the Federal Reserve Bank of New York as a Representative Office, and it is neither a bank nor a depository institution and it is not insured by the FDIC or any other agency of the United States.

If this presentation relates to securities, please note that in the US, the Standard Bank Group is acting through its agent, Standard New York, Inc., which is a member of FINRA and SIPC and it is neither a bank, regulated by the United States Federal Reserve Board, nor insured by the FDIC. Neither this presentation nor any copy of it nor any statement herein may be taken or transmitted into the US or distributed, directly or indirectly, in the US or to any US person except where those US persons are, or are believed to be, (a) qualified institutions acting in their capacity as holders of fiduciary accounts for the benefit or account of non US persons (as such terms are defined in Regulation S under the US Securities Act of 1933, as amended (the "Securities Act")) or (b) qualified institutional buyers within the meaning of Rule 144A under the Securities Act.

Dubai

The Standard Bank of South Africa Limited (Dubai Branch) is authorised and regulated by the Dubai Financial Services Authority (register number F002907). Within the Dubai International Financial Centre the financial products or services to which this marketing material relates will only be made available to Professional Clients, including a Market Counterparty, who meet the regulatory criteria of being a Client.

Hong Kong

Standard Advisory Asia Limited is licensed by the Securities and Futures Commission under the Securities and Futures Ordinance in Hong Kong. Any investments and services contained or referred to in this presentation may not be suitable for you and it is recommended that you consult an independent investment advisor if you are in doubt about such investments or investment services.

South Africa

The Standard Bank of South Africa Limited (Reg.No.1962/000738/06) is regulated by the South African Reserve Bank and is a Licensed Financial Services Provider and Registered Credit Provider (NCRCP15).

Copyright 2020 Standard Bank Group. All rights reserved.