

October 2021

DESERT LION CAPITAL FUND I, LP Q3 REPORT FOR THE PERIOD ENDED SEPTEMBER 30TH, 2021

Dear partners and friends,

The Fund returned -9.9% net for Q3 2021. The major detractors to our performance during the quarter were Naspers and Sibanye Stillwater. Naspers, in tandem with its main asset Tencent, was down on concerns around China's increased regulatory scrutiny of the technology sector. Sibanye Stillwater weakened on the back of lower platinum group metal (PGM) prices, caused mainly by softer short-term demand from automakers due to chip shortages. The valuations and fundamentals of both companies remain attractive, though it would be fair to assume that China uncertainty increased the discount rate on Tencent.

While general perceptions can cause some to dismiss South African listed investment opportunities out of hand, our conviction remains high that the opportunity set has strong potential for those who can be patient and know where to look. I used the recent pullback in the market to add to some of our core positions and continued acquiring stakes in two unfollowed small-cap companies that I believe remain grossly mispriced.

We enter the fourth quarter fully invested with 11 companies in our portfolio. As of quarter-end, the top 5 positions constituted 76% of assets. We follow a long only approach and do not employ any leverage. Due to the concentrated nature of our portfolio, our returns are expected to be more volatile, yet, less risky, based on our rigorous adherence to margins of safety and zero leverage.

We are not that smart

Desert Lion Capital's horizon is longer than average, and our portfolio turnover is fairly low at less than 20% per annum.

It sounds academic and clichéd to say a longer-term horizon can be an edge for superior performance. I admit, when I first encountered the suggestion, it felt like a marketing phrase: soft on the ear but flimsy in substance. However, my view is gradually changing. I believe longer term horizons indeed can be a source of extra performance in some cases. The basic mathematical arguments are sound: less trading and friction costs, and higher tax efficiency. There are also implicit psychological advantages: your due diligence leading up to a Tinder date will be materially different from the time spent deciding to "tie the knot" with a prospective spouse.

When you operate in more overlooked pockets of the market, it often takes time for other participants to see and appreciate what you already understand. Patience is key, and a commitment to a longer time horizon supports this discipline. I have witnessed how the intrinsic value of some companies increases gradually, and also substantially, while the share price lags for long periods... and then, suddenly – and oftentimes without any clear catalyst or

event which could have been identified beforehand – the price leaps as it catches up to, and sometimes overshoots, intrinsic value. Even knowing the market, industry, shareholder base, etc., extremely well, we don't know how long that will take. Sometimes it happens almost instantly, and sometimes it takes the market years to wake up. So, I have gradually changed my mind to believe that, in many cases, there is merit to the premise that one can gain an edge specifically by investing for the longer term. It is extremely likely that our fund could be sitting on positions with lackluster marked-to-market performance for several years before they suddenly double or triple for a great overall IRR.

In fairness, the market is full of smart participants. I believe the market gets it roughly right most of the time. We are all in search for the variant perception that is more accurate than the sum total average assessment. Genuine variant perceptions that end in alpha occur less frequently than the active management industry would like to admit. Some of our positions are simply excellent companies that are valued roughly fairly today and that we believe will grow intrinsic value at superior rates over time. Examples of these in our portfolio are Capitec, Karooooo, and Stadio. From these, we expect to generate returns from compounding, not multiple expansion.

Then there are companies that I believe the market does not assess appropriately. Here, obviously, I hold a variant perception, and only time will tell whether I am right or wrong. Because I have no idea how long it will take for the market to re-price these companies, it is especially important that these are “time is our friend” situations. Companies we own that fall into this category are Argent, Mustek, and, dare I say it, Naspers.

For each company, we identify three or four key performance metrics to monitor the underlying health and growth. As long as the company tracks or exceeds our key performance metrics (and makes decisions in a manner I expect), I don't care what the price does in the shorter term. It will catch up at some stage – I cannot know when – and often will do so rapidly and in magnitudes.

Company updates

The past few months saw a slew of updates and earnings reports from our companies. I will briefly update on a few of our positions.

❖ **Sibanye Stillwater (JSE: SSW)**

Sibanye Stillwater is one of the largest PGM (platinum group metal) producers in the world with major operations in South Africa and the U.S. They also have gold mining operations in SA. There is significant upside optionality in their growing lithium, nickel, and uranium activities, which are not yet contributing to earnings and not recognized by the market in SSW's price.

During the third quarter, the company reported record earnings for the interim period ended June 2021. TTM EPS was R12.03, placing the stock on a PE multiple of 4. Cash generation was excellent, and the company is effectively debt free with surplus net cash. The management team continues to stay disciplined in their capital allocation, using cash profits to settle debt, repurchase 5% of the company's shares at a discount, pay a healthy dividend (~11% annualized dividend yield), and expand their battery metals strategy with lithium and nickel acquisitions.

PGM prices are down from their highs on the back of chip shortages and auto manufacturing concerns. I believe these demand shocks to be transient, and the long-term outlook remains buoyant. There is much pent-up demand for vehicles, and, combined with increasing inflationary expectations, auto manufacturing will likely overshoot once chip shortages are resolved. Climate change is becoming an increasingly prominent theme globally. I believe internal combustion engines are going to be around for longer than most expect. Battery electric vehicles (BEVs) require huge amounts of lithium, copper, nickel, and cobalt, and there is simply not enough of the stuff around to support the projected ramp-up in BEV production. PGMs are key to cleaner energy, and demand for some of the PGMs will continue to outstrip supply as limited capex has been allocated towards increased production in recent years. So, it will take some time for production to react to higher prices.

While substitution will take place between palladium and platinum in catalytic converters over time, the inability to substitute the minor metals, the most important of which is rhodium, ensures that the PGM basket price will probably remain robust for several more years.

Northam Platinum, another SA PGM producer, eloquently summarized the market situation in their recent annual report:

Rhodium is considered the rarest and most valuable precious metal in the world. In its pure form it is silvery-white and the most reflective of all metals.

Rhodium has in the past been lesser known in comparison to its sister metals, platinum and palladium. It has become more prominent in recent times as a result of its very special application when it comes to human health – rhodium is used extensively in the automotive sector to control the emissions of nitrous oxides (NOx) which are deleterious of pulmonary health.

Only around 30 tons of rhodium are sold each year, but its price over the past year averaged \$600,000 per kilogram. This is important for South Africa and in particularly for South African PGM miners, as over 85% of the world's rhodium comes from South Africa. The remainder is derived from Norilsk in Russia, and from the Sudbury Complex in Canada.

In the past, the world was generally at a loss to find significant uses for rhodium, as it was with all the PGMs. We had to wait for the disciplines of chemistry and engineering to evolve.

Only in the 1950s was it found that rhodium acted as catalyst in numerous organic reactions. This has had profound positive implications for our modern world.

Catalysts are defined as substances that either increase the rate or lower the activation energy of a chemical reaction without the catalysts themselves being consumed or undergoing any permanent chemical change. This leads to significant energy and cost savings in industrial processes.

One of the earliest catalytic applications for rhodium was in the Monsanto process, in which acetic acid is produced from methanol. A second and by far the most important application of the metal, accounting for over 90% of global consumption, is in the reduction of NOx emissions from vehicle exhausts. Developments in modern organic

chemistry are leading to the discovery of an ever increasing number of catalytic applications.

Environmental legislation in Europe, China, India and more recently, the United States, is heavily focused on NOx gases. This is creating significant demand-pull. In addition, since the global financial crisis of 2008, there has been significant under investment in PGM mining assets. This has negatively impacted the ability of South African primary producers to meet the growing demand. Current weak pricing of the PGM basket is related to silicon chip supply constraints restricting automotive manufacturing. This is expected to be a short term event and the prices should rebound once supplies are restored.

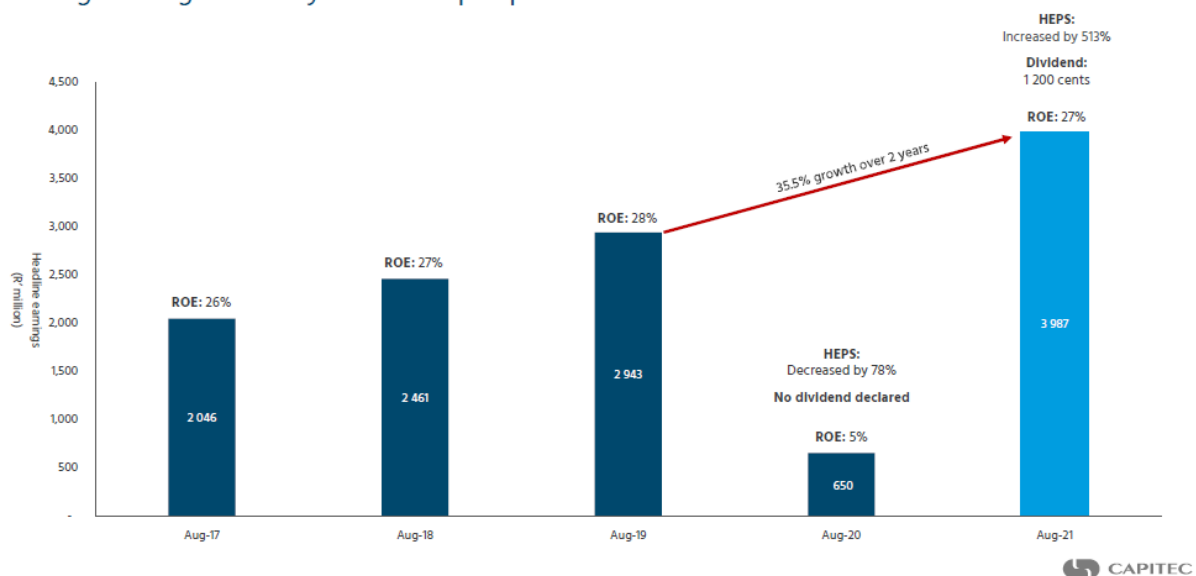
Sibanye Stillwater is a well-managed, profitable business with excellent capital allocation discipline. I view it as a dividend-paying call option on the normalization of auto manufacturing, climate change initiatives, and inflation. The company's lithium, nickel, and uranium activities also position them to participate in the continued drive towards "cleaner" energy, and so far, these options are not priced in at all.

❖ Capitec (JSE: CPI)

Capitec is the fastest growing bank in South Africa and a disruptive fintech player. We originally acquired Capitec at a discount via its former holding company, PSG Group, before the asset was spun out. For a detailed write-up of Capitec, see our Q3 2020 letter.

Capitec reported results for the half year ended August 2021 and is back on its pre-COVID growth trajectory.

Strong earnings recovery exceeded pre-pandemic levels



Active clients increased from 14.6 million to 16.7 million. Capitec is South Africa's leading digital bank. Increasing digital adoption allows the business to scale, translating into positive operating leverage.

Some still view Capitec as a pure-play subprime credit provider. That would be folly. Capitec transitioned to a fully-fledged bank and fintech player quite a few years ago. Net transaction and funeral plan income (popular in SA) now cover about 100% of operating expenses. Most of the new credit is extended to middle and higher income groups with better credit ratings. Capitec's growth is not predicated on high-risk loans and instead is coming from market share gains, digital adoption, transaction fee income, and expanded product offerings.

With a loan-to-deposit ratio of 61%, the business does not depend on wholesale funding. Its credit loss ratio is at about 5%, while the 6% net interest margin makes competitors green with envy. Capitec's 37% capital adequacy ratio is way above minimum requirements and is the highest in the domestic industry. This means the balance sheet is conservative and there is a lot of room to withstand shocks, and/or invest surplus equity for growth, and/or increase dividends.

I was surprised to hear one of the leading bank analysts comment that Capitec's earnings were largely boosted by releases of impairment provisions. This is not true. Delving into the recently released financials for the interim period ended August 2021, it becomes apparent that Capitec remained conservative and did not account for any material impairment provision releases:

"... to maintain a conservative approach to ECLs during the period. The forward-looking ECL provision remained at R3.2 billion as reported at the end of February 2021."

In my estimation, the R3.2bn impairment provision, equating to about R27 per share, is over-reserved and very likely to be released over the next few reporting periods. Reported earnings, therefore, are still understated, and I believe we will witness strong earnings growth going forward.

For the critics of Capitec's apparent high price-to-book ratio, I would like to offer some perspective as food for thought. Over the past 20 years, Capitec has made massive investments in technology, distribution, and their brand. All, or almost all, of these were expensed through profit and loss and constitute virtually nothing on the balance sheet. Capitec is the best digital bank in South Africa. It was voted "coolest bank" by the South African youth. It has the fastest growth of active digital clients. Are these assets – namely digital capability, distribution, and brand – really worth *nothing*? Maybe some of Capitec's most valuable assets are not reflected in the financials, and maybe the price-to-book ratio is not as high as it seems.

I expect that, over time, our returns in this investment will follow Capitec's earnings and dividends growth. In our opinion, the company has all the ingredients to compound at >20% for many years to come.

❖ **Argent (JSE: ART)**

Argent is an industrial conglomerate with about 23 underlying operating units across South Africa, the U.S., and the United Kingdom. Operations include steel-based trading, steel product manufacturing, security gates and fences, window shutters, bespoke trolleys for traditional and e-commerce retail, fuel storage and dispensing systems, concrete building products, and roll-over protection bars for construction machinery. Not a sexy business, and at \$50 million market cap it is obviously easy to ignore.

However, the company has been undergoing an unnoticed transformation. It used to be a low return value trap... until a new strategic shareholder stepped in a few years ago. Since, the company has been optimizing cash generation, disposing non-performing assets, acquiring high return assets, and buying back shares.

Argent published the below trading update during the quarter:

Earnings per share for the 6 months [ended] 30 September 2021 are expected to be between 137.9 and 152.8 cents per share, representing an increase of between 85.6% and 105.6% compared to the earnings per share of 74.3 cents reported for the previous corresponding period.

Consider that the previous corresponding period was not a low base.

We have been owners of Argent since 2019 and I discussed the company in our Q2 2021 letter. Below is an update of how the company's progress is unfolding against my initial 2019 expectations.

FY ended February (ZAR)	2019	2020	2021	2022*	2023	2024	CAGR
EPS							
Projected	0,69	1,05	1,36	1,73	2,18	2,74	32%
Actual	1,04	1,33	2,18	2,87			40%
Book value per share							
Projected	12,14	13,19	14,55	16,28	18,46	21,20	
Actual	13,05	16,74	19,10	20,60			
Return on avg equity							
Projected	8,7%	9,6%	10,6%	11,6%	12,6%	13,5%	
Actual	8,5%	8,9%	12,2%	14,5%			
Share price (Jul 15th, after results published)							
Projected	5,20	6,89	9,22	12,36	16,55	22,03	33%
Actual	5,75	5,10	11,85	11,80			27%
Trailing PE							
Projected	8	7	7	7	8	8	
Actual	6	4	5	4			
Price-to-book							
Projected	43%	52%	63%	76%	90%	104%	
Actual	44%	30%	62%	57%			

* TTM or estimate as of October 15, based in interim results trading update.

Argent is still not attracting any attention on the JSE. The company continues to buy back shares at a discount and has repurchased 38% since the inception of the program. Here we have a company that is undergoing a sustainable transition to a higher return on capital model, a debt-free balance sheet, diversified income streams with the bulk of their earnings generated in the United Kingdom and United States, and excellent capital allocation execution.

Clearly, the market takes longer to discover some gems than others. This is an example of where a longer-term horizon becomes an edge.

❖ Stadio (JSE: SDO)

Stadio is a for-profit tertiary education (college/university) provider continuing to grow rapidly from a low base by accrediting additional academic programs and attracting new

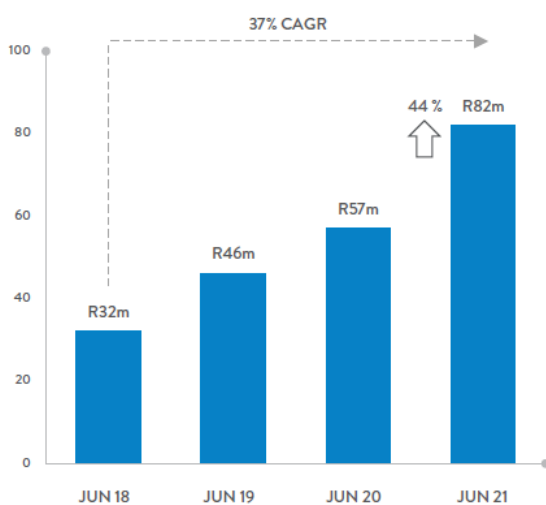
enrollments to their 80%-online/20%-contact offering. In addition to the demographic tailwinds and high demand driving Stadio's growth, COVID accelerated the growth and adoption of their online programs.

Stadio's earnings in the first half of the fiscal year clearly support our thesis of an early-stage business that has recently turned profitable and is growing EPS rapidly as operating leverage is kicking in. Despite disruptions caused by COVID lockdowns, student numbers are up +11% to 35,000, revenue is up +17%, EBITDA is up +34%, and EPS increased by +41%.

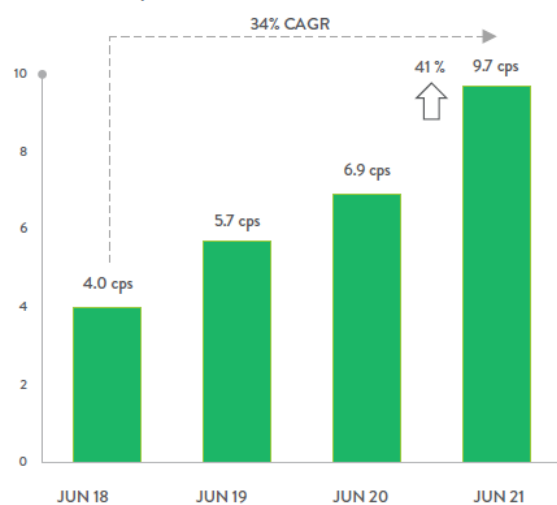
CORE HEADLINE EARNINGS

STADIO
— HOLDINGS —

CORE HEADLINE EARNINGS (R millions)



CORE HEPS (cps)



Stadio's balance sheet is unlevered and cash conversion is more than 100% thanks to the inclination of students to pay for studies in advance. We still see a long runway for growth for this small education company offering an affordable, high quality product in a large and vastly under-served market.

❖ Mustek (JSE: MST)

Mustek is an importer, assembler, and distributor of IT products in the South African market. The business is well-positioned to benefit from the structural shift towards working from home and remote learning across basic education and higher education sectors. Recent investments into peripheral product lines such as networking equipment, sustainable energy, and fibre are starting to contribute meaningfully to performance.

Similar to Argent, Mustek is an underappreciated capital allocation story. The business is growing organically at a decent pace, generating heaps of cash, and buying back shares on the cheap. Mustek has repurchased about 40% of their outstanding shares since 2014, and the buybacks are ongoing.

Over the past 10 years, Mustek has been growing EPS at an average compounded rate of +17% per year. The company is debt-free with surplus net cash on the balance sheet. Available,

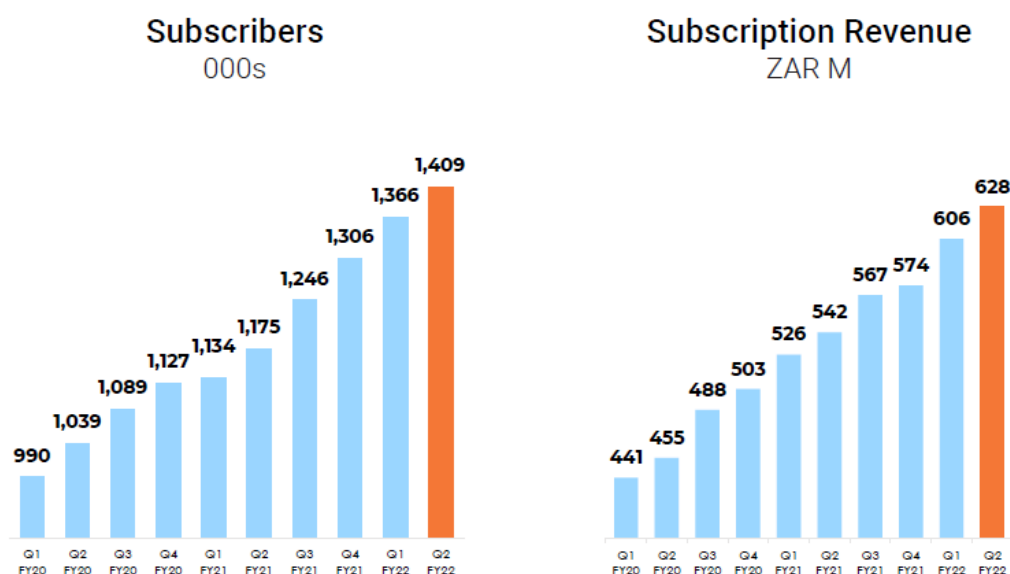
unutilized debt facilities of R1.3 billion represent more than 150% of its total market capitalization. A savvy buyer could fund a takeover from the company's own balance sheet.

Mustek's current stock price puts the valuation at 0.6 price-to-book and 3 times after-tax earnings. I believe this is a below-average price for a business that offers a fortress-like balance sheet, continues growing EPS at a decent rate thanks to organic growth and share buybacks, and is a prime candidate for corporate action.

❖ Karooooo (formerly Cartrack) (JSE: KRO / NASDAQ: KARO)

A Day 1 holding for the Fund, Karooooo is a SaaS company that maximizes the value of data collected from the monitoring and tracking of mobile assets (anything from mega mining trucks to scooters, generators, and even prisoners).

The company reported H1 results for the period ended August 2021, performing in line with all our key metrics. Subscription numbers are growing at 20%, as is subscription revenue. Recurring revenue constitutes 97% of total revenue. The GP margin was 70% and the EBITDA margin was 45%. Customer life cycle remained stable at 60 months, giving a LTV/CAC of 4.5 times.



Karooooo management keeps evolving and innovating. According to CEO Zak Calisto, they are now thinking beyond connected vehicles and believe that there is significant untapped network value in the business. For example, its new vertical – an online vehicle trading platform called Carzuka – will disrupt the used vehicle market by marketing, trading, financing, and insuring used vehicles with a complete telematics tracking history. Carzuka is currently gaining traction in its beta phase and is expected to launch in Q4 2022.

According to the Rule of 40, SaaS companies are attractive investments when the sum of growth rate plus operating margin exceeds 40. This rule generally suggests using EBITDA as proxy for profit margin. Instead, I am going to be more conservative and use profit before tax.

In Karoooo's case, growth is about 20% and PBT margin is generally above 30%, equating to a very attractive score of 50.

I have heard that, given buyers' preference for growth over profitability (especially for smaller companies), there is an increasing shift towards the Weighted Rule of 40, which gives twice the weighting to growth that it does to profitability. This adjustment aligns with the increased focus on growth over profitability, particularly for smaller SaaS companies as they work to achieve scale.

$$\text{Weighted Rule of 40} = (1.33 * \text{Revenue Growth}) + (0.67 * \text{EBITDA Margin})$$

Again, I will use PBT margin instead of EBITDA margin to be conservative.

$$\text{Karoo's Weighted Rule of 40} = (1.33 * 20\%) + (0.67 * 30\%) = 47$$

For a SaaS company with a primary listing on the NASDAQ, Karoooo is trading cheaply compared to peers with a ~5x price-to-sales ratio vs. ~13x for other mobility SaaS comps.

Management is clearly investing ahead of the curve. The combination of economies opening up post COVID lockdowns and the benefits of growth initiatives flowing through is expected to result in accelerated EPS growth from 2022 onwards. I am very excited about Karoooo's future prospects.

❖ Naspers (JSE: NPN)

Reams can be written about Naspers/Prosus/Tencent. In this letter, I prefer to communicate our central theme and insight. We think Tencent is a great asset, a combination of:

- i) a dominant scalable platform,
- ii) a host of high margin cash generative assets, and
- iii) the best VC firm in the world.

China-related concerns justify a higher risk premium and discount rate, but I do not believe Tencent is facing an existential crisis, and I do not believe that its earnings ability has been diminished. If anything, Tencent is incentivized to under-report earnings, so they are likely earning more than it appears. At the Prosus level, the market is seemingly ignorant of the non-Tencent portfolio – a slumbering giant in emerging market food delivery, online classifieds, and payments.

Naspers is not in favor at the moment. If it weren't for the fact that it is held by many index-tracking funds, I would call it a contrarian bet. With Tencent off -40% from recent highs and Naspers trading at -60% discount to its look-through SOTP, we believe we own a fantastic collection of technology businesses with a huge margin of safety embedded in the discount. Our detailed calculation of Prosus and Naspers SOTP can be found in Appendix C at the end of this letter.

Addition to Desert Lion Capital team

I met Hans Koetsier in 2017 when he was a bright-eyed student fascinated by the intellectual stimulation and allure of the investment world. During our first get together, I suggested to

him a list of the classic investment texts. Hans is a prodigious reader and had meticulously studied all the proposed material by our second meeting not so long after. We kept in touch, and as his knowledge developed, I invited Hans to collaborate on, and alternately critique, some of my work. (Some of you may recall my past reference to the “Abominable No-Man” who analyzed my theses specifically with the goal of poking holes in them.) For a period of 5 years, I was in the fortunate position to get to know Hans and observe his growth.

Charlie Munger likes to point out that envy is a really stupid sin because it’s the only one through which you could never possibly have any fun. I will admit, I envy Hans. I was only introduced to the concept of fundamental¹ investing later in my life. He started early and he has all the qualities to grow into a successful investor. Being a rational optimist, I decided to redeem my stupid sin by inviting Hans to work with me. I am pleased to welcome Hans to our investment team as analyst. He has already made a massive contribution to freeing up my time and I am convinced that his support will have a positive effect on Desert Lion Capital’s investment efforts.

In closing

In the end, it all boils down to this: Desert Lion must generate decent returns over multi-year periods and protect our capital against permanent losses.

From a developed market perspective, anything South Africa is “icky.” It has been icky for a while now. When I interact with other fund managers and capital allocators, this is clearly an obstacle they struggle to clear. The country is actively shunned. Therefore, capital is relatively scarce, and the intelligent investor can still expect to earn decent returns on his or her capital. Returns often manifest in spurts. The missing ingredient to date has been enhanced market efficiency precipitated by increased participation and liquidity.

We own a thoughtfully constructed portfolio of high quality, high growth assets trading at fair values, and assets with undiscovered inflections that we believe ought to be trading double or triple their current valuation. In aggregate, our portfolio’s combination of low valuation and sustainability of earnings provides the downside protection, and the combination of high quality earnings growth and upside price optionality will drive returns.

As always, I thank you for entrusting Desert Lion with your capital. Essentially all my wealth is invested right alongside yours.

All the best,



Rudi van Niekerk

¹ Fundamental analysis is based on the assumption that a stock price doesn't necessarily reflect the true intrinsic value of the underlying business. Fundamental investors use valuation metrics and other quantitative and qualitative information to determine whether a stock is attractively priced.

APPENDIX A: PERFORMANCE

Q3 REPORT FOR THE PERIOD ENDED SEPTEMBER 30TH, 2021

	Desert Lion Capital Fund I ⁽¹⁾ %	FTSE/JSE All Share Index ⁽²⁾ %	Delta %
Q2 2019 ⁽³⁾	3.1	6.0	(2.9)
Q3 2019	(10.8)	(12.3)	1.5
Q4 2019	13.9	12.7	0.8
Year 2019	4.8	4.7	0.1
Q1 2020	(41.4)	(39.0)	(2.4)
Q2 2020	12.8	25.8	(13.0)
Q3 2020	20.4	3.5	16.9
Q4 2020	39.7	24.7	15.0
Year 2020	11.2	-1.0	12.2
Q1 2021	15.8	11.3	4.5
Q2 2021	(2.0)	2.8	(4.8)
Q3 2021	(9.9)	(8.5)	(1.4)
Year to date 2021	2.2	4.8	(2.6)
Cumulative ⁽⁴⁾	19.2	8.7	10.5
Annualized ⁽⁴⁾	7.3	3.4	3.9

Notes:

- (1) Desert Lion Capital Fund I, LP (“Desert Lion”) Standard Class, net of all fees. Based on an annual management fee of 0.75% (calculated quarterly in advance, charged monthly); fund expenses of 0.5% p.a. (charged monthly); 6% non-compounding hurdle; performance fee of 25% of profits exceeding the 6% hard hurdle; high water mark applies.
- (2) FTSE/JSE All Share Index (“ALSH” or “J203”) converted to USD returns.
- (3) Inception April 1, 2019.
- (4) Net results to a Limited Partner in the Standard Class as of April 1, 2019 inception. Individual returns will vary by class and date of investment.

Disclaimer:

PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS.

The net returns presented under Quarterly and YTD Performance are net of all fees, expenses, and the incentive allocation attributable to a typical fee-paying limited partner in the Fund. The returns for a limited partner who has made additional subscriptions or withdrawals may differ. The performance numbers include dividends reinvested. This communication is for informational purposes only and is unaudited. Totals may not foot due to rounding.

**APPENDIX B: PORTFOLIO OVERVIEW
(DISCLOSED TO LIMITED PARTNERS ONLY)**

APPENDIX C: NASPERS SOTP

Prosus Shares in Issue ('000)					
	2021/03/31	2021/09/30	2021/10/15	Net total shares in issue ⁴	Economic interest ⁵
Prosus N ordinary shares					
Shares in issue	1 624 652	2 073 644	2 073 644		
Free float & treasury	444 402	893 394	893 394		
Owned by Naspers	1 180 250	1 180 250	1 180 250		(584 634)
Prosus shares held in treasury ¹	(11 874)	(31 102)	(36 057)		
Non-participative shares ²	-	(584 373)	(584 373)		
Naspers N shares owned by Prosus		213 400	213 400		
Prosus N shares owned by Naspers		1 180 250	1 180 250		
Naspers N shares in issue		435 511	435 511		
Naspers N shares in treasury (excl Naspers N shares held by Prosus)		4 702	4 702		
1/5 or 20% of Naspers A shares in issue		192	192		
Net N shares in issue	1 612 778	1 458 168	1 453 213	1 453 213	
Free float	432 528	862 291	857 336	857 336	59,0%
Owned by Naspers ⁶	1 180 250	595 877	595 877	595 877	41,0%
Prosus A ordinary shares					
Shares in issue	3 512	4 457	4 457	376	0%
Prosus B ordinary shares					
Shares in issue	-	1 128 508	1 128 508	1	0%
Prosus total ordinary shares	1 616 289	2 591 132	2 586 177	1 453 590	
Notes					
Prosus SOTP					
2021/10/15					
Investment	Shares held (m)	Share price (LC ²)	Value (US\$'bn)		
Listed assets³					
Tencent (HKG: 0700)	2 769	495,60	189,5		
Delivery Hero (ETR: DHER)	61	114,60	8,2		
Remitly (NASDAQ: RELY)	37	40,20	1,5		
Mail.ru (OTCMKTS: MLRY)	62	20,80	1,3		
Trip.com (NASDAQ: TCOM)	30	32,72	1,0		
Skilsoft (NYSE: SKIL)	50	12,64	0,6		
Sinch (STO: SINCH)	15	168,50	0,3		
SimilarWeb (NYSE: SMWB)	11	20,03	0,2		
Unlisted assets⁴					
Classifieds			34,4		
Food Delivery (ex listed assets)			13,7		
Payments & Fintech (ex listed assets)			6,8		
Edtech (ex listed assets)			3,9		
Etail			4,3		
Ventures and Other (ex listed assets)			3,9		
Net cash / (debt)					
Cash ⁵			4,0		
Debt ⁵			16,5		
			(12,5)		
Net asset value (\$'bn)			227,9		
Net asset value per share (\$)			156,8		
Net asset value per share (ZAR)			2 315,5		
Prosus share price			1 253,1		
Discount to NAV			-46%		
Net total shares in issue ('000)			1 453 590,1		
Exchange rates as at	2021/10/15				
USDHKD			7,78		
USDEUR			0,86		
USDSEK			8,63		
USDZAR			14,77		
Notes					
Naspers Shares in Issue ('000)					
	2021/03/31	2021/09/30	2021/10/15	Net total shares in issue ³	Float & Economic interest
Naspers N ordinary shares					
Shares in issue	435 511	435 511	435 511		
Naspers treasury shares held by Naspers	(4 702)	(4 702)	(4 702)		
Net Shares in issue	430 809	430 809	430 809		
Naspers shares held by Prosus	(15 271)	(213 400)	(213 400)		-49,5%
Net N shares in issue	415 538	217 409	217 409	217 409	50,5%
Naspers A ordinary shares					
Shares in issue	961	961	961	192	
Naspers total ordinary shares	416 500	218 370	218 370	217 601	
Notes					
Naspers SOTP					
2021/10/15					
Investment	Asset value at 100%	Economic interest	Value (US\$'bn)		
Prosus NAV ¹	227,9	41,0%	93,4		
Other ²	1,4	50,5%	0,7		
Net cash / (debt)	0,4	50,5%	0,2		
Cash ³	0,4	50,5%	0,2		
Debt ³	-	50,5%	-		
Net asset value (\$'bn)			94,3		
Net asset value (ZAR'bn)			1 393,5		
Net asset value per share (ZAR)			6 404,0		
Nasper share price			2 569,0		
Discount to NAV			-60%		
Net total shares in issue ('000)			217 601,1		

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