



**JM BUSH**  
*Investment Group*

Absolutely Positive Performance

*Managing assets for the world*

## INTRODUCTION

The integration of world financial markets, easy migration of people and the fusion of cultures require businesses to conduct business differently – in most cases. That's when businesses' main focus is on shareholders' interests. And that's not our business model. At JM BUSHA Investment Group (Pty) Ltd, we focus on the individual person, the individual corporate client and the communities' (in which we operate) interests and needs. Our clients' diverse individual needs are what our business is.

Diversity is wealth. With its diverse wealth of people, experience in investment management, investment research, financial modeling, financial instruments trading, investment banking and financial advisory services, JM BUSHA Investment Group (Pty) Ltd ("JM BUSHA") – in operation since 2000 and with offices in Namibia, South Africa, Swaziland and Zambia is there to help you achieve your investment objectives. Welcome !



## CORPORATE PROFILE

### THE HISTORY

JM BUSH A Investment Group (Pty) Ltd (JM BUSH A) is a unique, independent solution-driven investment management, investment banking and advisory services group of companies.

JM BUSH A was established in July 2000 in South Africa - initially focusing on derivatives trading, structured investment products and quantitative investment research. In 2001, the activities were extended to include institutional active asset management, investment banking and advisory services, risk advisory services, treasury restructuring, debt origination, securitisation and structured finance. Then in October 2006, JM BUSH A launched its first and only retail unitized investment product that catered for individual clients too – the JM BUSH A Real Return Fund.

Many years of direct experience in trading financial instruments, product research and development, financial modeling, investment research, risk management and treasury operations enables JM BUSH A to offer a wide range of products and quality service to clients.



## VALUES

Our core values are captured in our mission statement. The ultimate goal is to add value to the lives of people in different communities through appropriate social investments as we create sustainable wealth for our investors.

## MISSION STATEMENT

To create value for clients, grow and preserve the wealth of every investor, and to develop our people.

## VISION

Our aim is to be the first choice manager of private and institutional clients' investments; advisor in investment banking and social investment activities globally. At JM BUSH A Investment Group, we believe it is our duty in relation to our clients and the communities in which we operate – to:

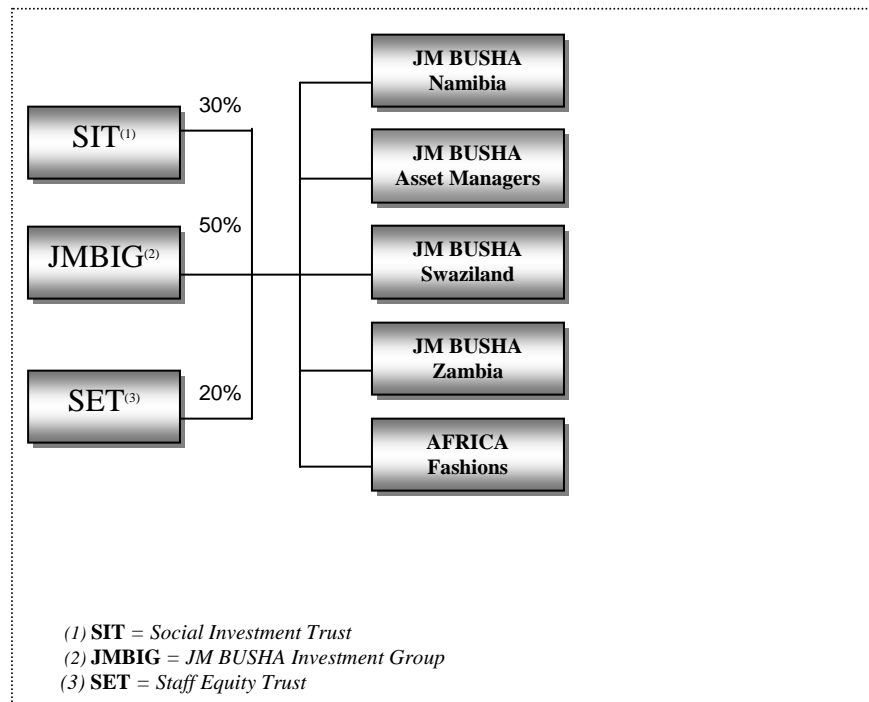
- Understand their needs
- Serve them with efficiency, respect and integrity; and
- Add value to clients' investments and business processes, and people's lives.

Objectivity, trust, focus, managed investments' performance, customized and dedicated quality service are key to our clients and dear to us as we work diligently and honestly in the execution of our mission.



## CORPORATE STRUCTURE

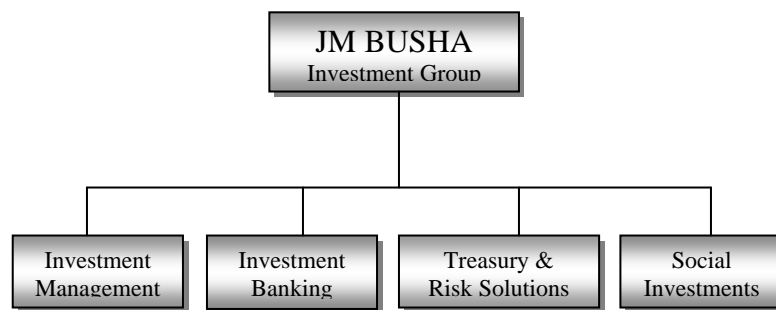
The company is an employee-owned business - comprising of three shareholding groups: the business founders, all staff members and a social investment structure.



The Social Investment Trust (“SIT”) was set up to fulfill the Group’s mission- *i.e.*, the development of people: the basis for the formation of the JM BUSHA Investment Group. This is important to us, and to the communities in which we operate or provide services.

## BUSINESS STRUCTURE

The Group's business structure is divided into four areas: (1) Investment or asset management; (2) Investment Banking and Advisory Services; (3) Treasury and Risk Solutions; and (4) Social Investment Initiatives.



Products	Structured Finance	Asset-liability	Special projects
- Absolute Return	Corporate Finance	modelling	- Private equity
- Relative Return	Project Finance	Risk management	- Education
- Structured Funds	Debt origination	Treasury re-	- Health care
- Private Equity	Securitisation	structuring	

The business units are complementary. Our business provides clients with total and portable solutions. What we do, we do best.

## INVESTMENT MANAGEMENT

The integration of world financial markets and the increased market volatility is forever changing the investment management process. Investments return drivers are many and more complex than decades ago. Structural political and social imbalances across the globe play an important, but none quantifiable part in the search for better investment returns. Performance has become just as volatile.

Flexible and adaptable, but robust models are required. Quantitative models that can explain the past and produce today's values accurately are more favorable than models based on future prediction. For the future is difficult to predict. At JM BUSH A, we understand this. And that is why our investment management process - driven by robust quantitative models and fundamental research, is able to extract value that produces returns with superior return/risk ratios consistently over time.

JM BUSH A manages both institutional and private individual clients' funds. It offers a range of investment products in absolute return, relative return and structured investments categories. Our investment philosophy and investment management approach underlies our success.

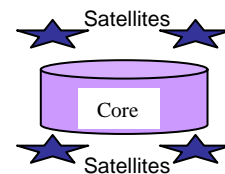


## INVESTMENT PHILOSOPHY

$$\text{Risk} = \min \int_{u=t}^T \sigma(u) du$$

A disciplined, strategic and well-defined investment process drives performance. We believe investment management is a return-maximization/risk-minimization problem. As such, our investment process entails conducting thorough quantitative analysis of the key return drivers of the securities included in our portfolios. Each security in the universe goes through a screening and ranking process before its inclusion. The selection process is generic for both equity and fixed-income securities – only the return drivers are different. To maximize returns, we employ quantifiable return enhancement and tactical asset allocation strategies. In the end, we believe investment objectives determine the investment policy, (portfolio) strategy and the selection of portfolio constituent assets or securities for a particular portfolio or fund.

## INVESTMENT STYLE



Core-satellite approach

With the core-satellite investment style, our investment funds are designed to produce benchmark returns as minimum. The satellite portfolios - composed of diverse securities or financial instruments expected to deliver excess returns above (core) benchmark returns over a certain period, are constructed around the core portfolio. Diversification reduces risk. The risk of any of our funds is reduced to the risk of the benchmark - in line with the fund's risk appetite.

## RISK MANAGEMENT AND SYSTEMS

Risk management is an integral part of an investment management process. Because we recognize this, our team includes specialist risk managers focusing on all aspects of risk: - market risk, credit risk, and operational risk, etc. Risk is reduced, controlled and managed only through well-defined procedures and controls. Hence, we have built an **EAR (Everyone-is-A-Risk manager)** culture within the company, as everyone manages risk of one form or the other.

In addition to external systems, we have proprietary in-house systems we use to manage portfolios and the investment risks. Our committed risk managers provide independent back-office support functions and ensure accurate checks and balances.

## BACKOFFICE, ADMINISTRATION AND SECURITY

We have dedicated and experienced back-office professionals who monitor portfolio positions daily and manage market and compliance risks. For investments security, a chosen and recognized Central Securities Depository Participant (CSDP) keeps all investments in safe custody. Clients can appoint their preferred custodian.

## INVESTMENT PRODUCTS

JM BUSHUA investment products are designed to produce benchmark returns consistently as minimum. The objective is to protect the initial investment while growing it. Our range of products include

- The Absolute Return Funds: are funds designed to produce absolute or real risk-adjusted returns with cash returns as minimum. The funds are constructed and managed on the core-satellite approach. Based of the client's risk profile or benchmark, the fund would fall into low-risk, medium-risk or aggressive balanced mandate types.

- Active Equity Funds: These include the indexed funds that seek to out-perform chosen equity funds' benchmarks.
- Active Bond Funds: produce All Bond Index returns as minimum and seek out-performance by using various fixed-income securities and yield-curve return enhancement strategies.
- CashPlus Funds: a 100% capital guaranteed money market fund. Use yield enhancement strategies to deliver more returns.
- Structured Funds: various capital-guaranteed investments and hedge funds of various strategies including the long-short and market-neutral strategies.

#### INVESTMENT TEAM

The investment team consists of fundamentals research and quantitative analysts/portfolio managers, an investment strategist, risk managers, funds accountants and back-office / administration managers.

#### INVESTMENT MANAGEMENT FEES

JM BUSHA Asset Managers is a value-add investment manager. Hence, our investment management fees are both performance-based and flat. We give our clients the choice.



## **SOCIAL INVESTMENTS**

Our Mission Statement captures two critical aspects: creation of wealth for investors and the development of people. In our business, social investment is not a 'side business' but is the business. Through the JM BUSHA Social Investment Trust ("SIT"), we provide bursaries for deserving students; provide adult continuing education and training; help create jobs through co-operative projects; and build health care systems for communities where we operate.

### **Education**

We firmly believe it is our duty as business, to help develop an educated and skilled society. Our internship and bursary programs provide the platform for skills development. The bursaries are given to university students only.

### **Job creation**

Africa Co-operatives (Pty) Ltd ("Africa Co-ops") – a general industrial company, is a partnership between JM BUSHA and several communities. Africa Co-operatives makes working suits for mine, factory and domestic workers; and school uniforms and is involved in other activities.

### **Health care**

The majority of people in Africa live in rural villages and health facilities are not easily accessible, if at all available. JM BUSHA is involved in building health facilities in remote and needy areas in the countries it operates.

## CONTACT US

### 1. Head Office, Johannesburg, South Africa

Joseph Makamba-Busha	Managing Director
Yolanda Mokhantso	Corporate Affairs Manager
Office Telephone	+0027 11 341-0256
Office Fax	+0027 11 325-2018
E-mail Address	<a href="mailto:invest@jmbusha.co.za">invest@jmbusha.co.za</a>
Website	<a href="http://www.jmbusha.co.za">www.jmbusha.co.za</a>

#### Addresses

*Postal* :PO BOX 31250, Braamfontein, 2017, South Africa  
*Physical* :106 Rutland Avenue, Craighall Park, 2196, South Africa

### 2. Mbabane, Swaziland

Dumsile Shongwe, BSc. Compt. Sc	Risk & Administration Manager
Office Telephone	+0268 404-4553
Office Fax	+0268 404-4558
E-mail Address	<a href="mailto:invest@jmbusha.co.sz">invest@jmbusha.co.sz</a>
Website	<a href="http://www.jmbusha.co.za">www.jmbusha.co.za</a>

#### Addresses

*Postal* :PO Box 4447, Mbabane, Swaziland  
*Physical* :Unit G5, Ground Floor, Lilunga House,  
Somhlolo Street, Mbabane, Swaziland,

### 3. Lusaka, Zambia

Fanny Mwandila	Administration Manager
Office Telephone	+0926 01 237-441
Office Fax	+0926 01 237-443
E-mail Address	<a href="mailto:fanny@jmbusha.co.zm">fanny@jmbusha.co.zm</a>
Website	<a href="http://www.jmbusha.co.za">www.jmbusha.co.za</a>

#### Addresses

*Postal* :PO Box 31103, Lusaka, Zambia  
*Physical* :Suite 119-123, Farmers House South Wing, Central Park,  
Cairo Road, Lusaka, Zambia

