

1Invest SWIX 40 ETF ("ETFSWX40") (being a portfolio under the STANLIB ETF Collective Investment Scheme registered in the Republic of South Africa in terms of Collective Investment Schemes Control Act, 45 of 2002 ("CISCA"))

Share Code: ETFSWX

Abbreviated Name: ETFSWX40

ISIN: ZAE000279220

("ETFSWX40")

## **UPDATE ON CONSOLIDATION OF PARTICIPATORY INTERESTS IN THE 1INVEST SWIX 40 ETF**

### **1. Introduction**

Please refer to the previous announcement. Holders of 1INVEST SWIX 40 ETF participatory interests ("security") are advised that the JSE Limited ("JSE") has approved an application by the manager of the STANLIB ETF Collective Investment Scheme ("the Manager") to proceed with a consolidation of Securities in ETFSWX40 ("the Consolidation").

In terms of the Consolidation, the Manager will reduce the number of securities that an investor holds and accordingly increase the value of each security. The portfolio value of each investor will therefore remain unchanged.

### **2. Effective date**

The effective date of the Consolidation is 30 October 2024.

### **3. Rationale for the Consolidation**

Effective 01 September 2022, the Fund received regulatory approval to change its benchmark tracked from the FTSE/JSE Shareholder Weighted Top 40 Index to the FTSE/JSE Capped Shareholder Weighted 40 ("the Index").

This change has resulted in the price level of the Fund being significantly different to the price level of the Index. Although the difference in price levels, the fund is performing in line with the index however the price levels difference creates a perception that the Fund is not performing in line with its benchmark.

To this effect, the Manager will conduct a unit consolidation by reducing the number of units that an investor holds and increasing the value of each unit accordingly of the Security which will align to Index level.

### **4. Implications for the Consolidation**

The Security previously tracked the FTSE/JSE Shareholder Weighted Top 40 Index, which trades at a level of ~14,170. The Fund traded at 1/1000th the index, therefore implying a price per unit of R14.70. The new benchmark being the FTSE/JSE Capped Shareholder Weighted 40, trades at a level of ~22,126, the implied unit price of the Fund will be R22.12. The total value of Security holders' investment will remain unchanged.

<b>Item</b>	<b>Detail</b>
1. Will investors investment be impacted?	1. There will be not impact as units will be reduced while increasing the price of the security however the value of investments will remain the same.
2. Will investors be able to compare to independent pricing sources?	2. Yes, the change management will include informing pricing/performance vendors to ensure changes are implemented effectively.
3. Will there be an impact on TCF Outcomes	3. There will be no impact on invest adherence to TCF Outcomes however with the alignment between the Fund and the Index, there will be an enhancement in terms of TCF Outcome 5 –“Clients are provided with products that perform as they have been led to expect, and the associated service is both of an acceptable standard and as per expectations set.”

The Consolidation will bring the NAV of each unit in line with the underlying index that it represents.

## 5. Details of the Consolidations

ETFSWX40 currently has 280,273,432. It is anticipated that the Consolidation will be performed on a 0.63192:1 basis and as such, the number of Securities issued pursuant to the Consolidations will be reduced to 177,110,387. There will be fractional entitlements whereby holdings with fractions are rounded down to a whole number and the value of the fraction will be paid out.

## 6. Salient dates pertaining to the Consolidations

	2024
Last date to trade in respect of the Consolidation	Tuesday, 29 October
Consolidated Security begins trading under the new ISIN ZAE000339206 with effect from commencement of business	Wednesday, 30 October
Announcement released on SENS in respect of the cash payment applicable to fractional entitlements by 11:00	Thursday, 31 October Friday, 01 November
Record date in respect of the Consolidation	
Accounts of dematerialised holders will have their Consolidated Security updated	Monday, 04 November

In addition to JSE’s approval, the Manager has also received approval from the Financial Sector Conduct Authority for the Consolidation.

Johannesburg  
30 October 2024

Sponsor  
The Standard Bank of South Africa Limited