

East Asian Growth Basket Limited

Supplementary information

04 April 2022

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Rationale

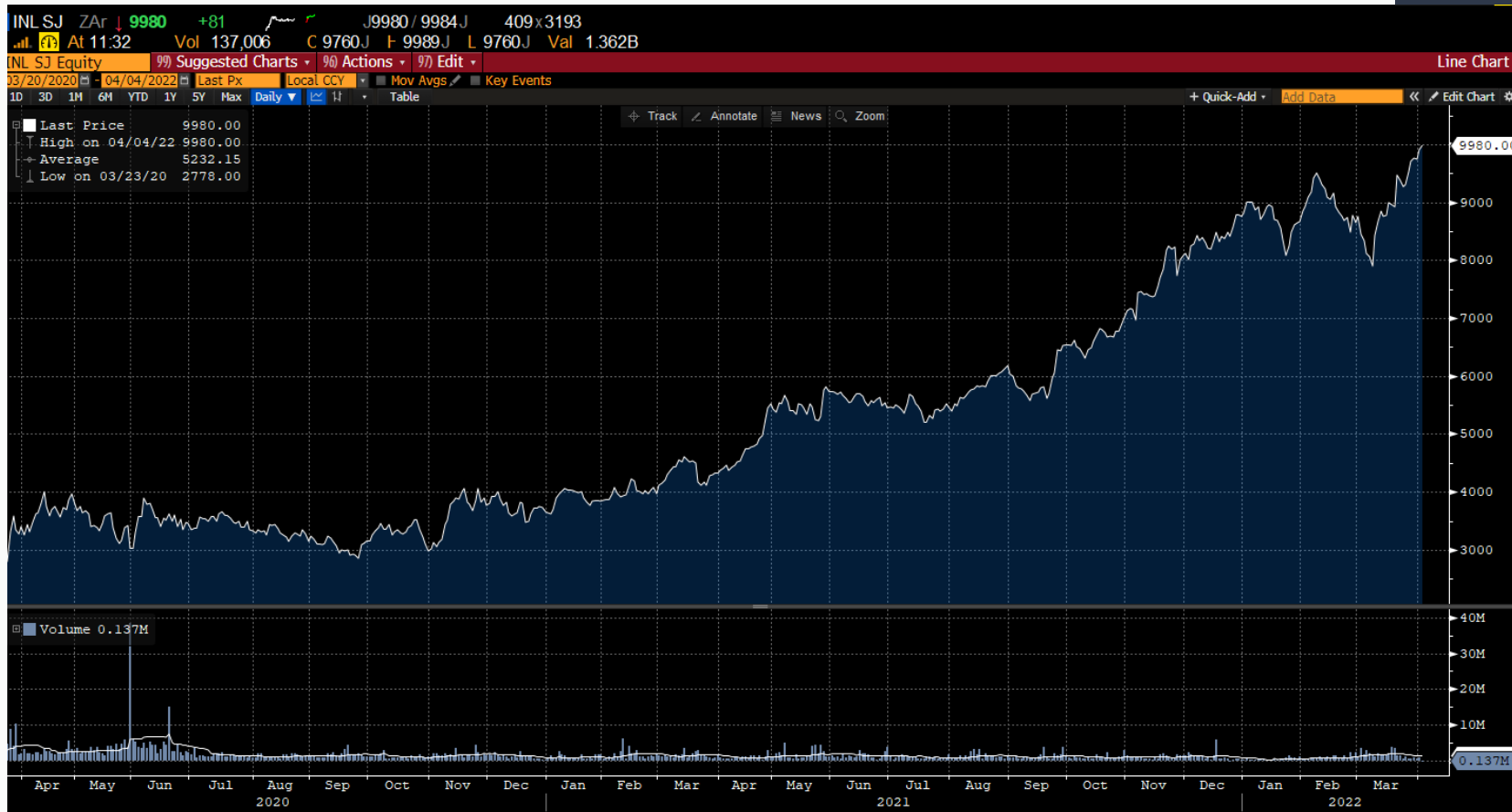
The 100% principal protection in USD is achieved by means of an Investec Limited subordinated debt instrument.

The investor takes on credit risk to Investec Limited, as issuer of the debt instrument.

We therefore breakdown certain metrics linked to Investec Limited, being:

- The share price (post demerger with Ninety One)
- The capital stack of Investec Bank Limited
- The capital ratios of Investec Limited, Invested Bank Limited, Investec plc and Investec Bank plc

Investec Limited Share Price



The graph of the left shows the price history of Investec Limited from 20 March 2020 – being the date after the group de-merged from Ninety One Limited. Notwithstanding the fact that this occurred close to the bottom of the covid-induced market trough, the share has performed favourably over the period, growing by some 259%.

Source: Bloomberg 4 April 2022

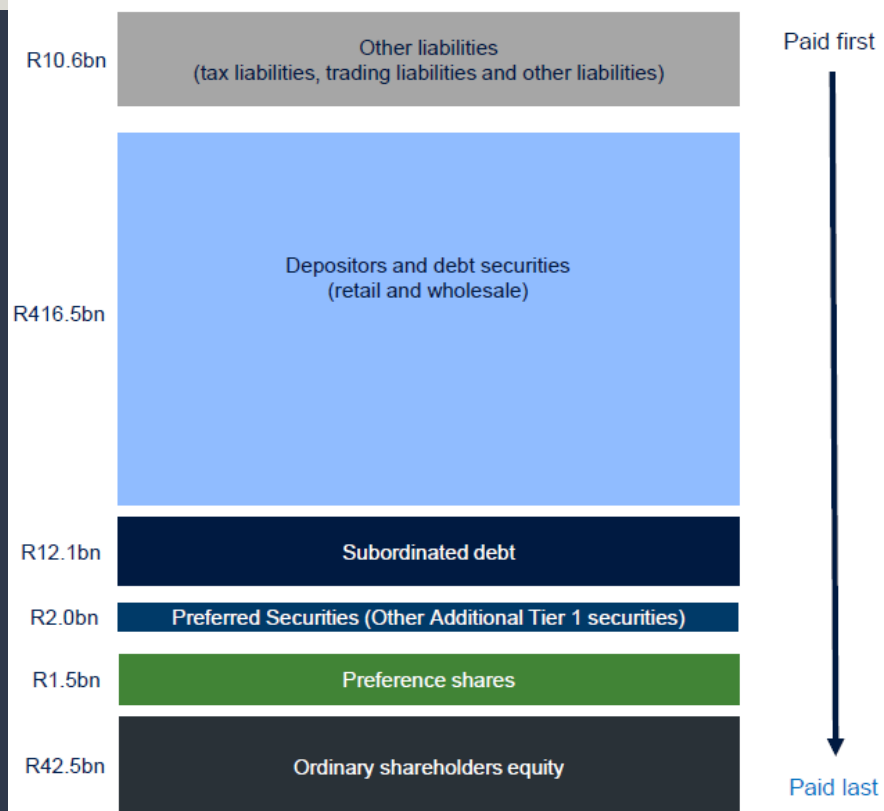
Investec Bank Limited – Capital Stack

Investec Bank Limited – 30 September 2021

Capital structure

The structure below is indicative. However, the exact sequence and quantum of pay outs in the event of a liquidation will be dependent on a number of factors, including regulatory oversight by the South African Prudential Authority.

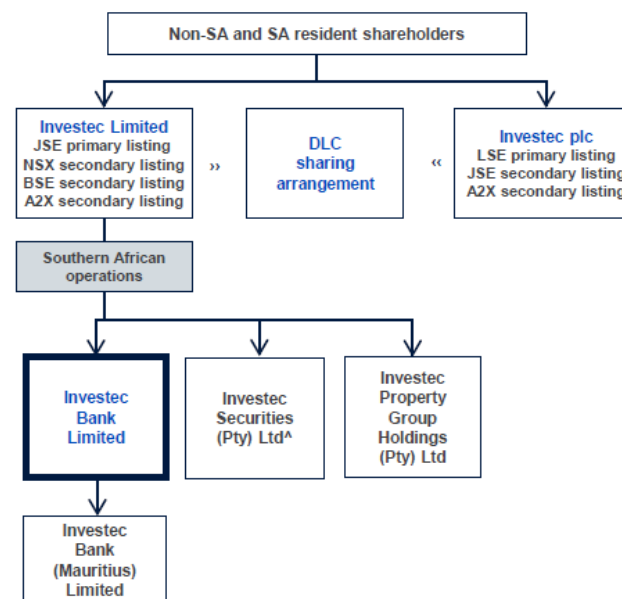
Figures below are as at 30 September 2021.



Organisational structure

Investec Bank Limited, comprising the Specialist Banking business, represents the majority of Investec Limited (INL) group's total assets and approximately 93% of INL's adjusted operating profit* for the period ended 30 September 2021.

Investec Wealth & Investment (IW&I) (housed within INL subsidiary Investec Securities (Pty) Ltd) manages c.R372bn funds under management and generated adjusted operating profit* of c.R311mn for the six months ended 30 September 2021. IW&I is a highly cash generative and low capital consumption business, with significant intrinsic value. It is currently valued at a ~12x earnings multiple by some sell side analysts.



All shareholdings are 100% unless otherwise stated. Only main operating subsidiaries are indicated.
 ^Houses the Wealth & Investment business.

*Adjusted operating profit represents profit before goodwill, acquired intangibles, taxation after non-controlling interests.

The capital stack of Investec Bank Limited is shown on the left.

Please note – Investec Bank Limited recently redeemed a portion of its perpetual preference shares (Dec 2021), which is not reflected in the capital stack as at 30 Sep 2021.

Investec Group – Capital Ratios

	Ratings approach	Market Cap USD m		Moody's rating		CET 1 Ratio (%)	Required Minimum	Total Capital Ratio (%)	Required Minimum
Investec Limited	FIRB	5,83				12.20		16.00	
Investec Bank Limited	FIRB			Ba2		13.30	6.50	17.80	10.00
Investec plc	Standardised			Baa1		11.20		15.10	
Investec Bank plc	Standardised			A1		12.00	4.50	16.60	8.00

Source: Investec group – Q and A fact sheet May 2021;
Google Finance accessed 24 Feb 2022

The above analysis shows the size of Investec Limited (market cap), the rating from and certain key ratios from the relevant group entities. Note – the market cap of Investec Limited includes the market cap of Investec plc, per the JSE's rules.

CET 1 Ratio takes the Common Equity Tier 1 Capital (Shareholder Equity, Retained Earnings, disclosed reserves) as a percentage of the bank's risk weighted assets. All banks above have CET1 ratios well in excess of the required minimums..

Total Capital Ratio includes all other capital, such as Tier 2 debt.

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International Titans Basket Limited ("the Company"), registration number 52616.

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