Global Accelerator

Presentation & FAQ

10 April 2024

Table of Contents

Share Overview

Applications close on **21 May 2024**

Term

Approximately **5 years** with the potential to exit the investment early in normal market conditions.

Capital Preservation

100% capital protection at maturity in USD.

Subject to the credit risks as highlighted on page 10.

Exposure to World Equity Markets in USD

Index	Weight
S&P 500	40%
Euro Stoxx 50	25%
Nikkei 225	15%
FTSE 100	10%
iShares MSCI Emerging Markets ETF	10%

The index basket is 94% correlated to the world equity market.

Return

The share will return the growth of the index basket multiplied by a **participation of 140%**[1], with index growth capped at 40%. Therefore, the **maximum return is 56%** (140% x 40%). Equivalent to an annualized return of 9.3%.

1. The participation is dependent on market conditions on trade date (the current participation is 140%). China Seas Basket Limited reserves the right to trade a minimum participation of 130% if required by market conditions on trade date.

Minimum Investment

USD 10,000

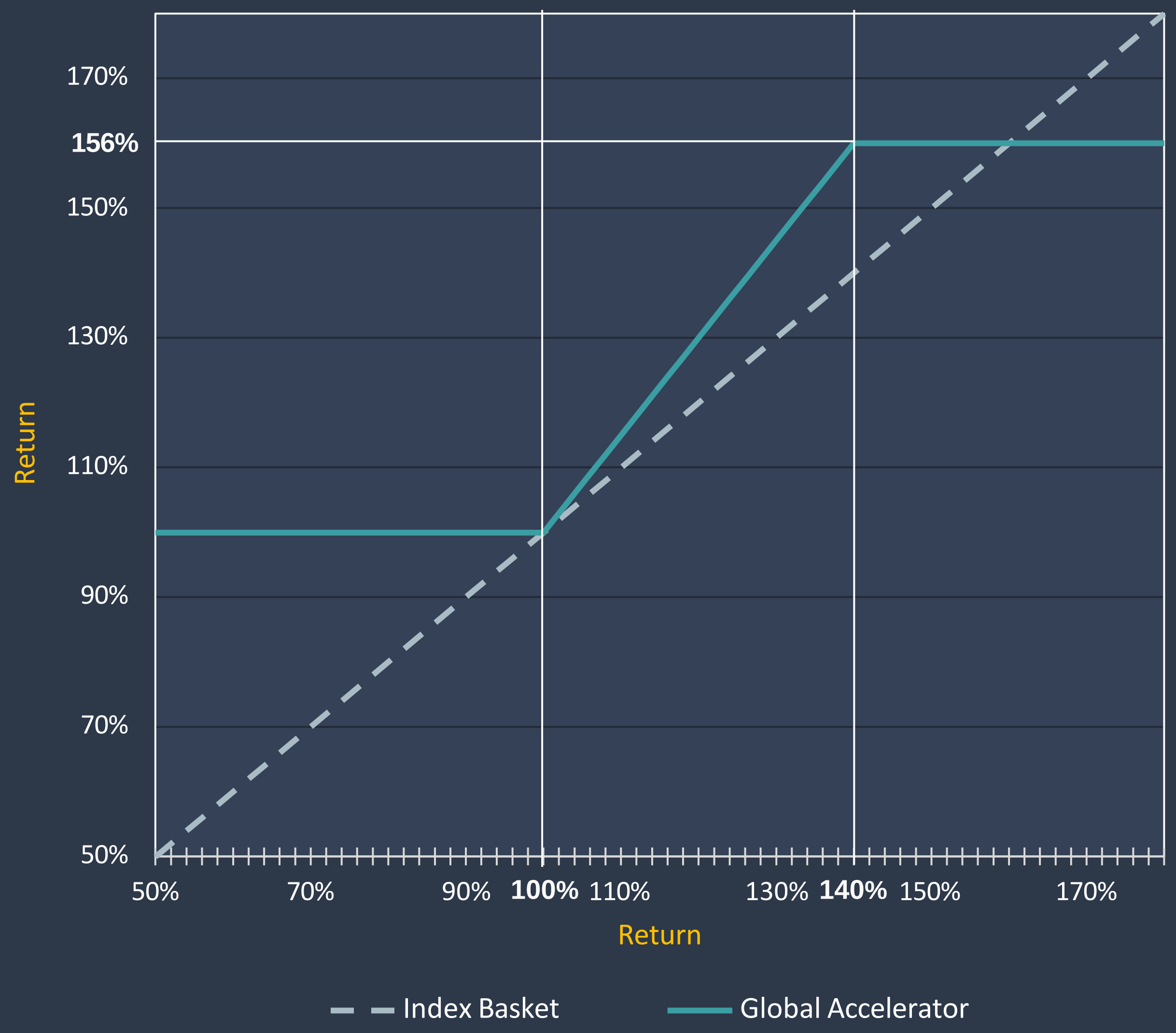
Or AUD 16,000

Share Return Example

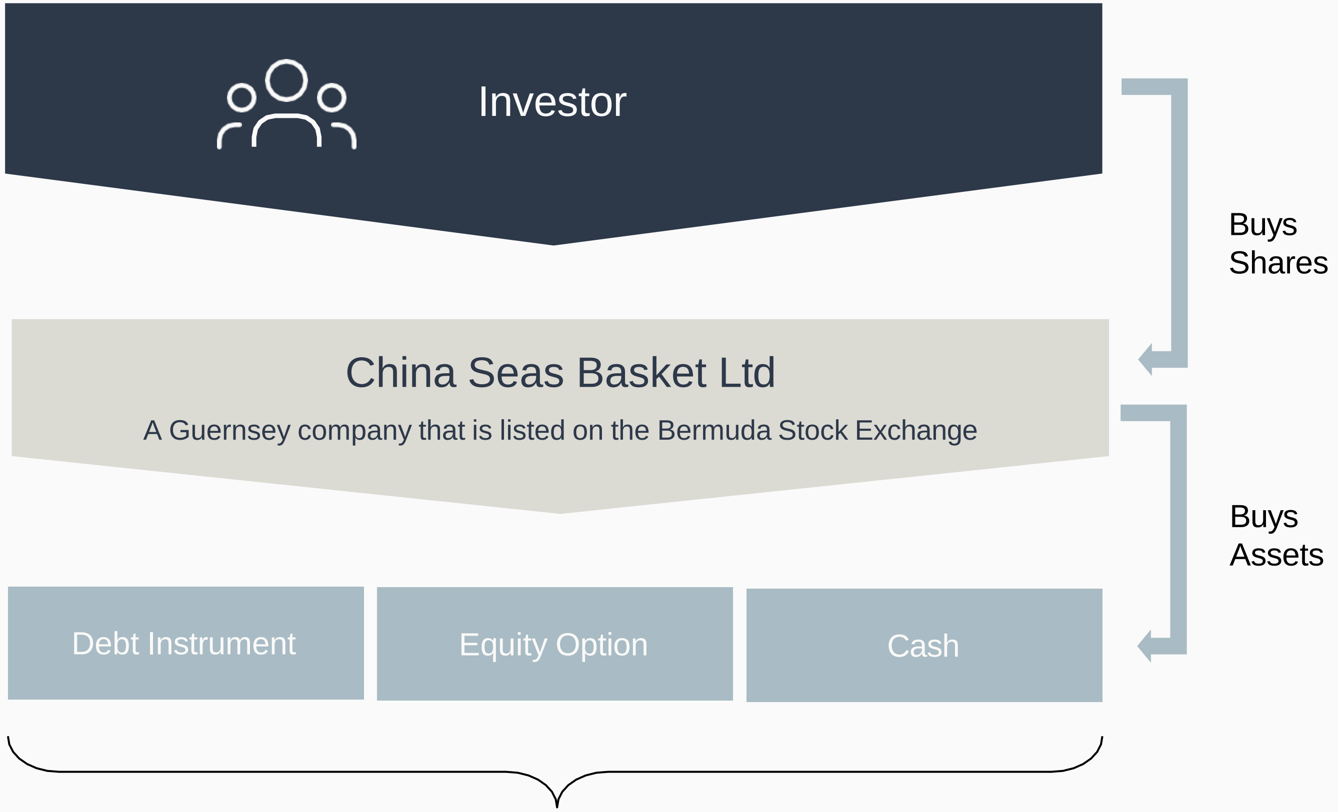
	Index decreases	Index increases by less than 40%	Index increases by more than 40%
Assumed initial Index Basket level	100	100	100
Assumed final Index Basket level	50	120	150
Index Basket return	-50	20	50
Option return with a participation of 140% up to a 40% Index Basket growth cap (max return of 56%)	0	28	56
Debt return	100	100	100
Total share value at maturity (option + debt)	**100**	**128**	**156**

Note: All payoffs assume that no default event or credit event has occurred during the term of the investment.

Global Accelerator Payoff Profile



Nature of the Investment



Investors gain exposure to the “Global Accelerator” structured product through their share ownership. At the start of a new offering, the company buys a debt instrument, an equity option and maintains some cash for fees and expenses. The company continues to hold the same instruments until maturity (i.e., the investment strategy is determined upfront, and the payoff profile is set for the full term).

- In May 2010, a company called China Seas Basket Limited was incorporated in Guernsey. The company was formed to buy financial instruments that create a structured payoff profile. The name of the company was originally chosen because the initial offering provided exposure to the Asian equity market. However, the upcoming offering will reference global equities.
- The company offers a structured product payoff profile with a defined start and end date. There is only one payoff profile offered by the company at a time. The 3rd offering within the company is set to mature at the end of May 2024 after which the 4th offering will begin. The name of the 4th offering is the “Global Accelerator” and it will continue for a term of approximately 5 years.

Offering	Term	Maturity	Reference Index Basket	Index Basket Return	China Seas Basket Ltd Return (AUD Class A)
Offering 1	5.5Y	7 March 2016	MSCI Singapore (25%), Hang Seng (25%), MSCI Taiwan (25%), Kospi 200 (25%)	-0.61%	1.07%
Offering 2	4.3Y	7 July 2020	MSCI Taiwan (20%), MSCI Singapore (20%), Nikkei 225 (20%), Hang Seng (20%), Euro Stoxx 50 (20%)	14.61%	21.95%
Offering 3	3.8Y	31 May 2024	Euronext® CDP Environment World EW Decrement 5% Index (WLENV) (100%)	34.45%	53.17%*

* Indicative return assuming the index level remain unchanged until maturity.

Instrument Breakdown

Component of Structure	Day 1 Value	Maturity Value after 5Y	Notes
Credit linked Note	74.5%	100%	1
Provision for fees, costs and expenses (c1.4% p.a.)	7%	0	2
1.4 x options over the index with a call spread of 100% to 140%	18.5%	0% - 56%	3
Total	**100%**	**100% - 156%**	

Option Breakdown		Notes
Funds available to spend on options	**18.5%**	4
Cost to buy a call option struck at 100%	-17.5%	
Income from selling a call option struck at 140%	4.5%	5
Combined cost	**-13%**	
1.4 option structures are purchased, providing the participation of 140% up to the cap (18.5% spend / 13% cost)	1.4	6

Notes:

1. Credit linked note starts at 74.5% and accrues interest over time until it reaches 100% of the investor's capital at maturity. This provides the capital protection.

2. A fee provision is raised on day 1 and unwound over time, representing an annualised cost of c1.4%

3. Options will expire at a value between zero if out-the-money and up to a maximum value of 56% of the initial capital.

4. 100% capital – 74.5% CLN - 7% fees

5. This is why the investor is only exposed to the first 40% of index growth

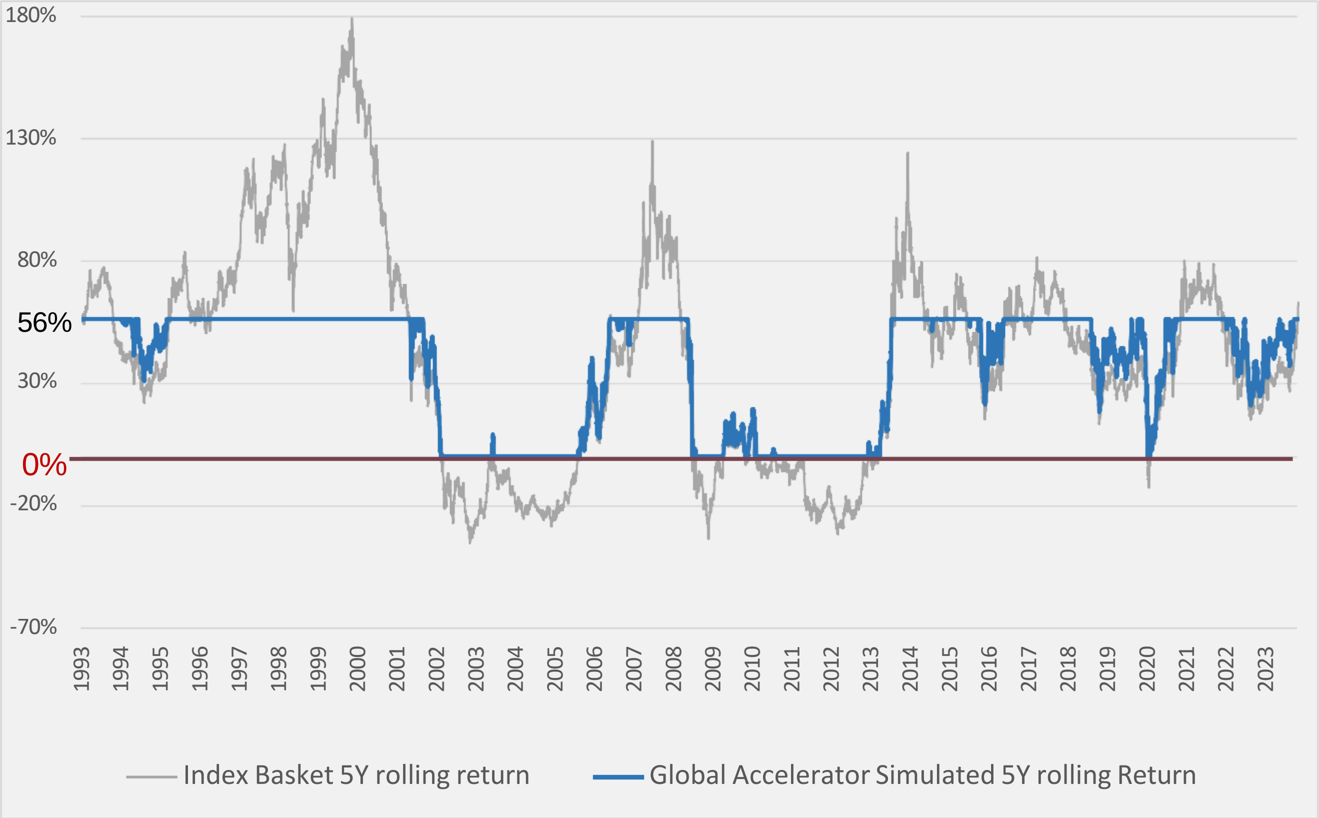
6. This is how 140% gearing is achieved

Note: *100% of the investor's initial capital is exposed to the payoff profile and thus they will receive a value between 100% and 156% of their initial investment, assuming no default or credit event. This return is already after all fees, costs and expenses.*

Costs/ values are indicative based on current market conditions and may be different to the actual costs on trade date.

Back Tested Payoff Simulation

5-year rolling returns of the Index Basket vs. Global Accelerator with 140% gearing up to a maximum return of 56%.



- Note: 29% of the 5-year rolling capital-only returns for the US investment grade bond market (Bloomberg US Aggregate Bond Index) were negative over the same measurement period (since 1987), i.e. yields increased and the capital value of bond index decreased.
- *Source: Bloomberg 12 March 2024

The graph on the left illustrates a simulated payoff of the Global Accelerator. Historic data for the Index basket was used to calculate the 5Y rolling returns for every day since 1987 when data for all five indices within the basket was first available. 23% of the time the Index Basket 5Y return was negative while the Global Accelerator would have returned the investor's capital. 62% of the time the Global Accelerator outperformed the Index Basket.

Index Basket Since 1987	
% of 5Y Returns that were negative	**23.07%**
% of 5Y returns less than 56% (Accelerator outperformed the Index Basket)	**62.28%**
% of 5Y returns greater than 56%	**37.72%**

Average annualized return of Index Basket	**6.35%**
Average annualized return of simulated Global Accelerator	**6.29%**

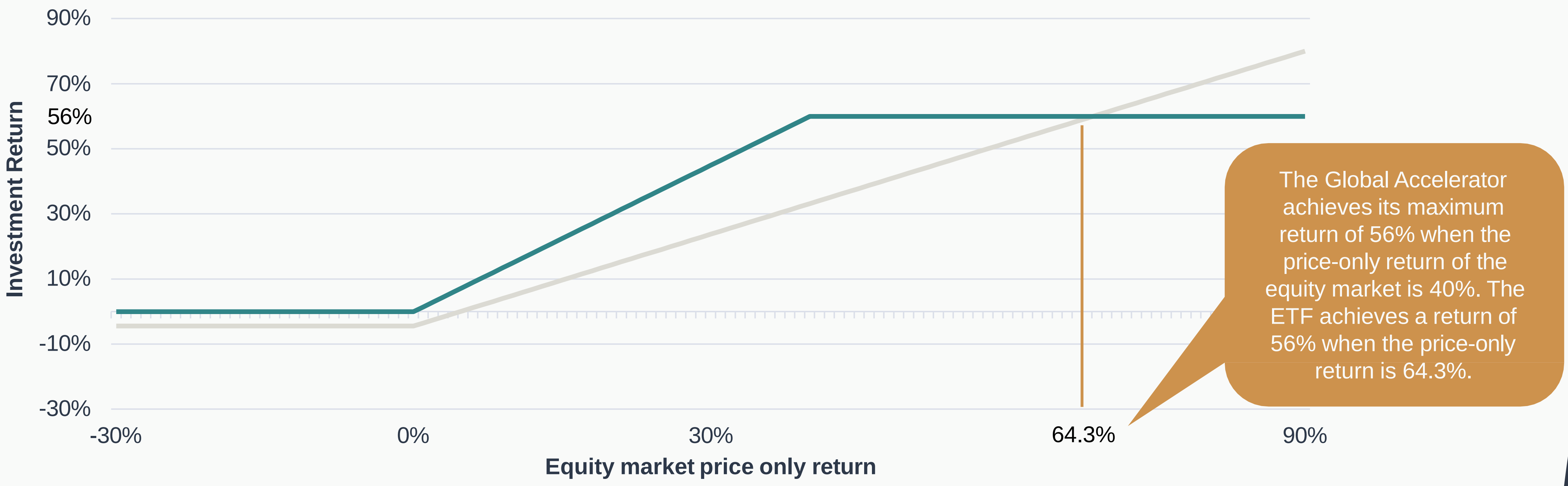
The Value of 100% Capital Protection at Expiry

MSCI World All Country Index – **annualized return since 1990 = 5.1%**

- The graph (left) illustrates the volatility of the equity markets. The red rectangular area represents a previous basket term *(2007 to 2012).*
- Investors received 100% of their capital back at expiry even though the underlying indices were 44% down. If an investor had invested directly in the underlying indices, they would have been 38% down after adding back dividends.

*Source: Bloomberg 12 March 2024

Payoff Profile Comparison



World Equity ETF + Capital Protection. *A direct investment into the equity market through an ETF may be protected through purchasing a put option which give the investor the right to sell their ETF at the price they bought it at if the ETF decreases in value. This* ***put option would cost 11%*** *of the investor's initial cash and thus only 89% of their cash can be used to purchase the ETF. Investors would earn dividends through the ETF (assumed 1.76% p.a.) and pay an ETF fee of 0.32% p.a..*

Global Accelerator. *Capital protection is achieved through purchasing a debt instrument so there is no additional cost to achieve capital protection. Fees are built into the structure thus 100% of the initial cash is subject to capital protection and exposed to the equity market on the upside. Investors do not receive dividends.*

Credit Risk

How is capital protection achieved?

A portion of the company's capital (the capital invested by the investor) is used to purchase a debt instrument. This debt instrument will accrue interest over time until it matures at 100% of the company's capital. The payout from the debt instrument at maturity is used to return the company's capital, regardless of the movements of the equity market. However, the company's capital is at risk if there is a default or a credit event, in which case the full value of the debt instrument will not be paid out at maturity.

Nature of Debt Instrument:

The debt instrument is a Credit Linked Note (CLN). The holder of a CLN earns additional interest in exchange for taking on the credit risk of a third party (credit reference entities). The credit reference entities are not directly involved in the transaction but the terms of the CLN stipulate that if any credit reference entity experiences a credit event then the issuer of the CLN is not obliged to repay the full outstanding capital. Therefore, the investor accepts that if the debt issuer experiences a default or the credit reference entities experience a credit event, the initial capital is at risk.

Credit Event:

A Credit Event is defined as the following: bankruptcy, failure to pay, restructuring, obligation acceleration, government intervention, and/or repudiation/moratorium.

Adjustment Event:

This includes a change in law, tax or hedging costs which increases the debt issuer's costs and the costs may then be passed on to the debt holder. This may have an impact on the expiry value of the debt instrument and thus the capital protection may not be fully effective. Such clauses are included as standard wording in debt instruments and credit linked notes. The clauses exist to protect the debt issuer from a change in law, tax or hedging costs which have a material impact on the economics of the transaction. In discussions with a number of international banks they confirmed that they are not aware of ever having invoked these clauses. Therefore, we feel there is a very low risk that this circumstance materializes.

Issuer (Senior Unsecured)

- Bank of America

Credit Reference Entities (Subordinated Tier 2 Obligations)

Only 1/3 of the investor's capital will be exposed to each of the below entities:

- Barclays PLC
- Standard Chartered PLC
- NatWest Group PLC

It should be noted that the international credit rating of the senior unsecured debt of the debt issuer, and the subordinated Tier 2 debt of all three reference entities will be rated as investment grade

Further purchases of debt instrument/s (if any) will be made in line with the requirements of the Prospectus. The Debt Issuer and the Reference Entities (in respect of the initial debt instruments and on any top-up portion) may be different to the names mentioned above but will remain one or more local and/or international banks to be selected by the Investment Adviser on or before the Trade Date, each with a long-term rating equal to or better than the rating of Investec Bank Limited, in the proportion of the nominal amount of the debt instruments.

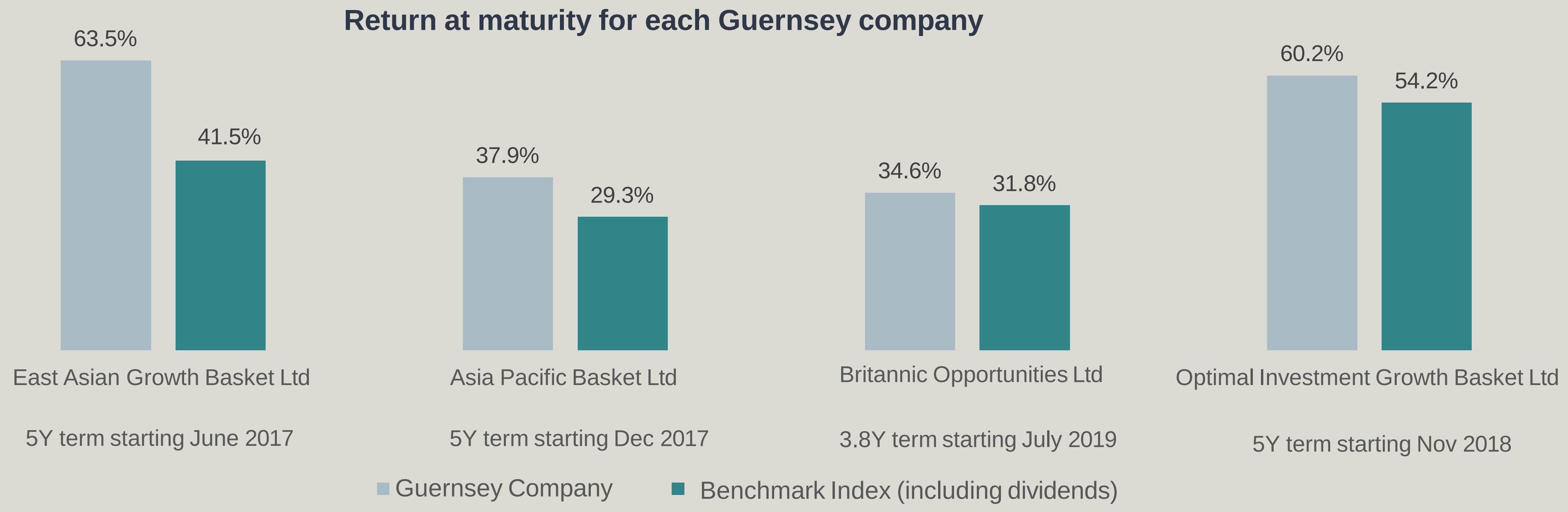
Structured products provide principal protection through the assumption of credit risk. They are intended for sophisticated investors who understand this risk and are willing to take it. There is credit risk on the debt issuer, each reference entity (the credit risk relates to the subordinated debt issued by such reference entities), and the equity investment provider(s). A default by any such party(ies) may cause the value of such investment of the company to be reduced or to become zero, which may adversely affect the share price or cause the share to become worthless.

Return Comparison

Investec is the investment advisor to seven Guernsey companies that are similar to China Seas Basket Ltd.

All companies use the same strategy of:
- Capital protection through a debt instrument
- Geared exposure to the equity market through an equity option

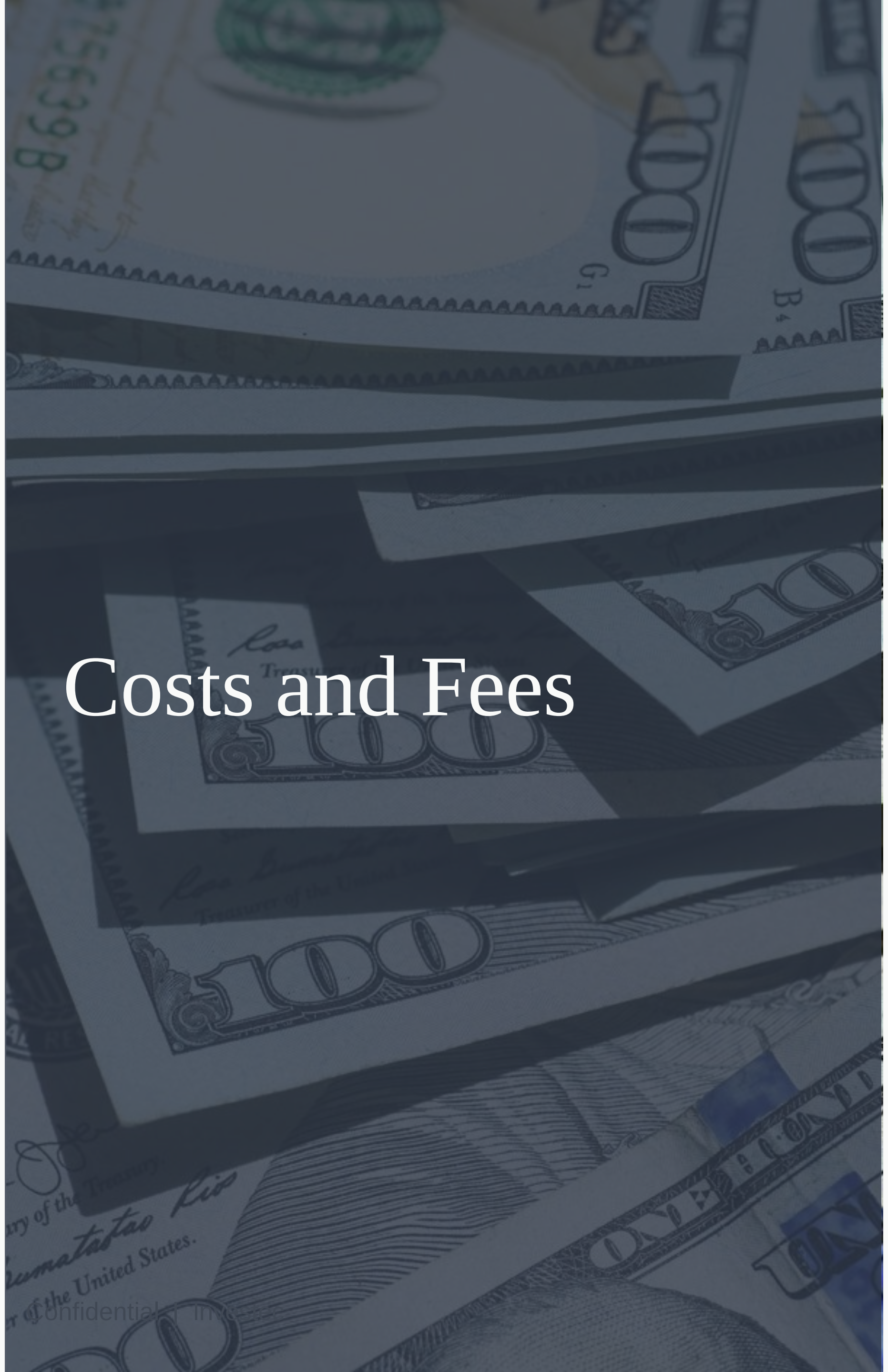
The four companies in the bar chart below are the four most recent company maturities that implemented the current strategy. These companies all referenced an index basket that is a proxy for world developed equity markets or world equity markets (including emerging markets). The company returns highlight the strength of the strategy.



Benefit of Holding the Share for Multiple Offerings

The graph to the left depicts the return profile of the Guernsey Company with the longest track record (Optimal Investment Growth Basket Limited). This company highlights the benefit of holding the Guernsey Company shares for multiple offerings.

If an investor decides to remain invested at each maturity and subsequent offering, a new capital protection level and upside potential is locked in. This means that for each investment term, the impact of an equity market crash is limited to the expiry value of the previous iteration of the structured share. This can be contrasted to a direct investment into the equity market where a crash could occur at any point and any previous gains as well as capital invested could be eliminated.



Costs and Fees

An initial once off expense provision of some 0.50% of the Principal Amount (as defined below) will be set aside to cover the Company’s costs over the investment period and the Company will not invest this amount. A total cost of c7%, or 1.4% per annum, is built into the payoff.

Annual fees will be charged within the Company to cover the following service providers:

Distributor fee:	0.60%
Investment Adviser fee: (Investec Corporate and Institutional Bank is the investment adviser to China Seas Basket Ltd)	0.60%
Administrator:	0.13% in year one 0.11% per annum thereafter

The distributor may charge a once off upfront fee of up to 2% plus VAT on new Shares issued for either Class A Shares denominated in AUD or Class B Shares denominated in USD. This will be deducted from the gross AUD or USD investment amount paid by each subscriber to the Company such that only the net amount (“Principal Amount”) will be invested in Shares of the Company.

Financial Services Provider ("FSP") License Categories

FSP Category 1 ("CAT I") and Category 2 ("CAT II") license holders qualifying criteria to provide financial services on shares:

Where advice is being given, financial advisors/stockbrokers/ wealth managers should ensure that they understand the underlying instruments and are able to advise clients appropriately; and

The onus is on the financial advisor/stockbroker/wealth manager to ensure that they have the appropriate license to provide financial services on this share.

In order to distribute this share, a distributor must be authorised to provide financial services in the following subcategories:

CAT I license holders

1.8
Shares

1.4
Long-term insurance subcategory C
(life wrapper only)*

CAT II license holders

2.5
Shares

2.2
Long-term insurance subcategory C
(life wrapper only)*

*Wrapper - Investments made into the Company by a wrapper must be done by a validly licensed entity.

Daily Pricing & Monthly Overview (Bloomberg)

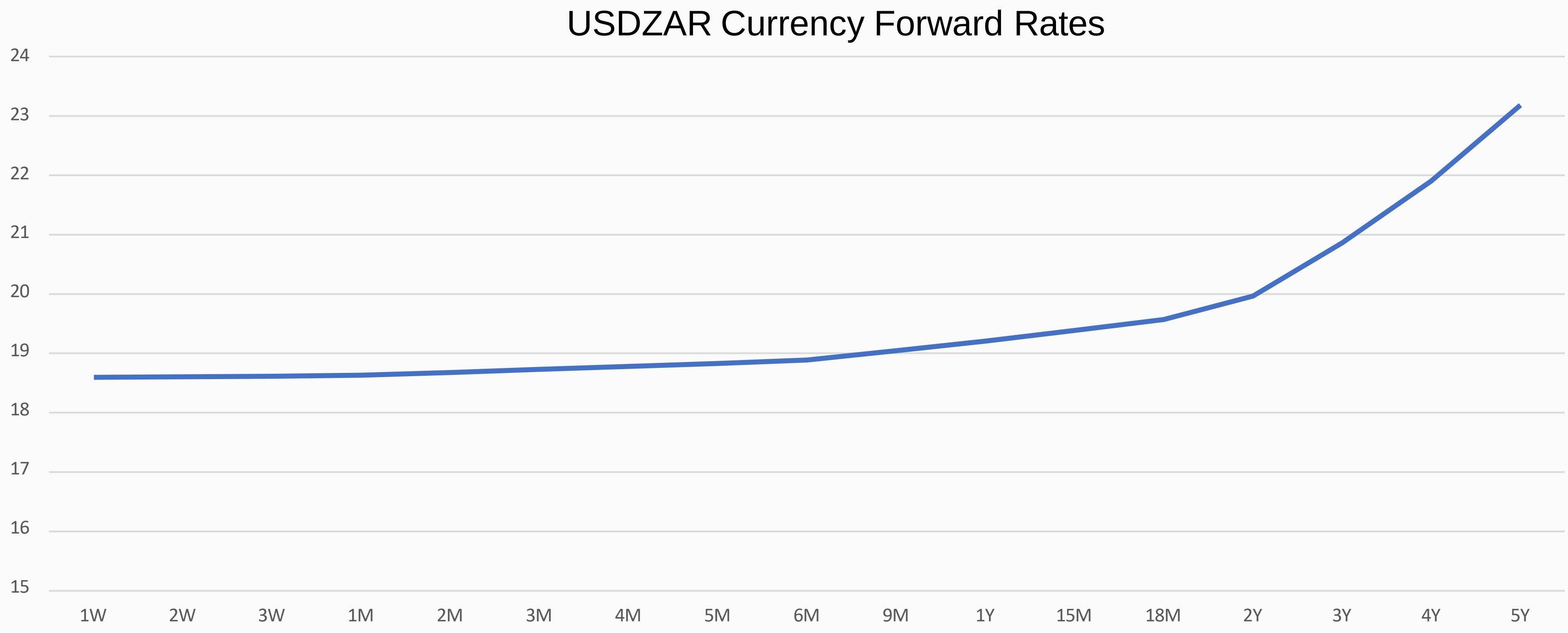
- To access the daily pricing and monthly overviews please use the Administrator's website at: https://www.apexgroup.com/investec-basket-information/

AUD A Class	USD B Class
ISIN: GG00B3W46R94	ISIN: GG00BM7T0367
Bloomberg: CHSEBAS GU	Bloomberg: CHSBLBU GU

Important dates

Closing Date	**21 May 2024**
Trade Date	Within 25 business days of the Closing Date
Contract Notes	To be issued on or before **26 June 2024** provided all client due diligence is in order
Fees Paid	Within 30 business days of the Closing Date provided all client due diligence is in order

What is the USDZAR forward rate over the targeted term?



- The USD vs ZAR forward rates over the term of the offering can be seen above.
- The USD/ZAR forward appreciation rate is approximately **24.7%** over the next 5-years, indicating a 4.5% annual ZAR depreciation is priced in by the market.

*Source: Bloomberg 12 March 2024

Market Risk

Market Risk on interest rates

The investment objective as described in the Prospectus of the Company is twofold:

1. to preserve the investor's capital in USD; and
2. to give meaningful participation in the growth in international equity markets

Interest rates and credit spreads have shown significant volatility in recent months as global inflation and the prospect of recession in many countries has influenced markets. As of January 2024, interest rates are at elevated levels, which in turn improves the potential equity participation of the Company over the next 5.4 years. The Investment Advisor (Investec Bank Limited) will therefore seek to purchase some instruments (being some of the debt instruments as well as interest rate hedges) ahead of the product trade date in order to secure these attractive levels. Please note that it is not possible to purchase all of the debt instruments ahead of trade date given the uncertain size of the trade.

The debt instruments will be sold on to the Company on trade date at the same levels at which they were acquired. This will ensure that the Company can still meet its investment objectives even if the market yield on the debt instruments is lower than current levels on trade date. In addition, the upfront cost and any benefit obtained from the Investment Advisor's interest rate hedge will be passed through to the Company by means of any adjustment to the purchase price of the debt instrument. This will ensure that the Company still benefits from any further material increases in interest rates (more than a 1% increase in the USD 5yr swap rate). Investors should therefore be aware that movement in interest rates between the date of acquisition of the debt instruments and the trade date will have the following effect on the payoff and day 1 valuation in various scenarios.

.

				Current			
Base Rate on Trade Date	2.50%	3.00%	3.50%	4.00%	4.50%	5.00%	5.50%
Day 1 valuation gain or loss*	4.2%	2.7%	1.3%	0.0%	-1.3%	-2.6%	-2.6%
Indicative change in participation	-10%	-7%	-3%	0%	3%	6%	23%

Note: The above indicative table assumes a debt instrument with a nominal of $100m is purchased ahead of trade date and the total company size is $130m on trade date. Any valuation gain or loss on day one will only be realized to the extent that the Investor sells his/her Shares prior to the end of the investment term.

Existing Offering: China Seas Basket Limited

(matures 31 May 2024)

Debt Instrument

The existing offering of China Seas Basket provides capital protection to its shareholders by holding a debt instrument that was issued by Standard Bank Group Limited. The 3rd offering within China Seas Basket Limited is subject to the existing debt within the Company being called (i.e. being early redeemed at the election of the issuer of the debt instrument) on 31 May 2024 (“the call date”). If the existing debt instrument is not called on the call date, the Global Accelerator offering in this presentation will no longer be available. In this case, the shares issued under the existing offering will be redeemed when the debt instrument has matured on 31 May 2029 (as the instrument only has one call date). If the debt instrument is not called, existing shareholders of China Seas Basket Limited will receive a dividend during May 2024 that is equal to the payout from the existing equity option within the Company. Thereafter, shareholders will receive a dividend equal to the semi-annual coupons from the debt instrument until the debt instrument matures. The debt instrument will pay the prevailing 5-year USD swap rate + 3.754%. The 5-year USD swap rate as of 31-Jan-2024 is 3.97%

Standard Bank Group Limited

SBKSJ 5.95 05/31/29

Supplier Details

As required by the Financial Advisory and Intermediary Services Act (‘FAIS’), please find below the details of the supplier:

Supplier	China Seas Basket Limited
Physical address	1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL
Contact number	+44 1481 737 622
Postal address	1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL
South African promoter	Investec Corporate and Institutional Banking, a division of Investec Bank Limited
Physical address	100 Grayston Drive, Sandown, Sandton, 2196, Gauteng, South Africa Postal address
Postal address	P O Box 785700, Sandton, 2146, Gauteng, South Africa
Contact number	+27 11 286 7000
Contractual relationship	Investment Adviser to the Board of China Seas Basket Limited
Compliance officer	Chulekazi Jikijela
Contact number	+27 11 286 9157

Contact Us

Please contact one of our specialists for further information

Japie Lubbe	+27 21 416 3307	japie.lubbe@investec.co.za
John Sherry	+27 11 384 5307	john.sherry@investec.co.za
Brian McMillan	+27 11 291 3180	brian.mcmillan@investec.co.za
Sonia Lynch	+27 11 286 9450	Sonia.Lynch@investec.co.za
James Cook	+27 11 291 0190	james.cook@investec.co.za
Rakhee Kooverjee	+27 11 291 6107	rakhee.kooverjee@investec.co.za

Disclaimer

The information furnished in this document ("the Communication") has been prepared by the Company and Investec Bank Limited, acting through its Investec Corporate and Institutional Banking division (herein referred to as "Investec") in its capacity as investment adviser to the Company. This Communication does not constitute a research recommendation, investment, legal, tax or other advice; and is not to be relied upon in making an investment or other decision. The intended recipients should consider the information contained herein to be objective and independent of the interests of the trading and sales desk concerned. Opinions and any other content including data and market commentary in this Communication are provided for information purposes only.

The information contained herein has been obtained, where required, from various sources believed to be reliable and may include facts relating to current events or prevailing market conditions as at the date of this Communication, which conditions may change without notification to the Company and/or Investec and/or the recipient. This is a summary of relevant information and should not be considered as complete.

This Communication may not be considered as "advice" as contemplated in the Financial Market Act, 19 of 2012 and/or the Financial Advisory and Intermediary Services Act, 37 of 2002 as it does not take into account your financial position or needs.

This Communication may also not be seen as an offer to enter into or conclude any transactions. In relation to the information, the Company and/or Investec do not guarantee the accuracy and/or completeness thereof and accepts no liability in relation thereto.

You should make your own independent evaluation of the relevance and adequacy of the information contained herein and make such other investigations as you deem necessary, including, where relevant, obtaining independent financial advice, before participating in any transaction in respect of the securities referred to in this document.

Any opinions, forecasts or estimates herein constitute the personal judgement of the party who compiled this Communication as at the date of this document. Thus, this Communication reflects the different assumptions, views and analytical methods of the specific individual/party who prepared this Communication. As such, there can be no guarantee that future results or events will be consistent with any such opinions, forecasts or estimates.

Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied is made regarding future performance.

There may be risks associated with the information, products or securities, including the risk of loss of any capital amounts invested or traded due to market fluctuations.

There is no obligation of any kind on the Company and/or Investec or any of its Affiliates to update this Communication or any of the information, opinions, forecasts or estimates contained herein.

This Communication is confidential for the information of the addressee only and may not be reproduced in whole or in part, nor shall it be copied, redistributed or circulated, or disclosed to another unintended party, without the prior written consent of the Company and/or the relevant entity within Investec. In the event that you contact any representative of the Company and/or Investec or any party in connection with the receipt of this Communication, you should be advised that this disclaimer applies to any subsequent oral conversation or correspondence that occurs as a result of this Communication.

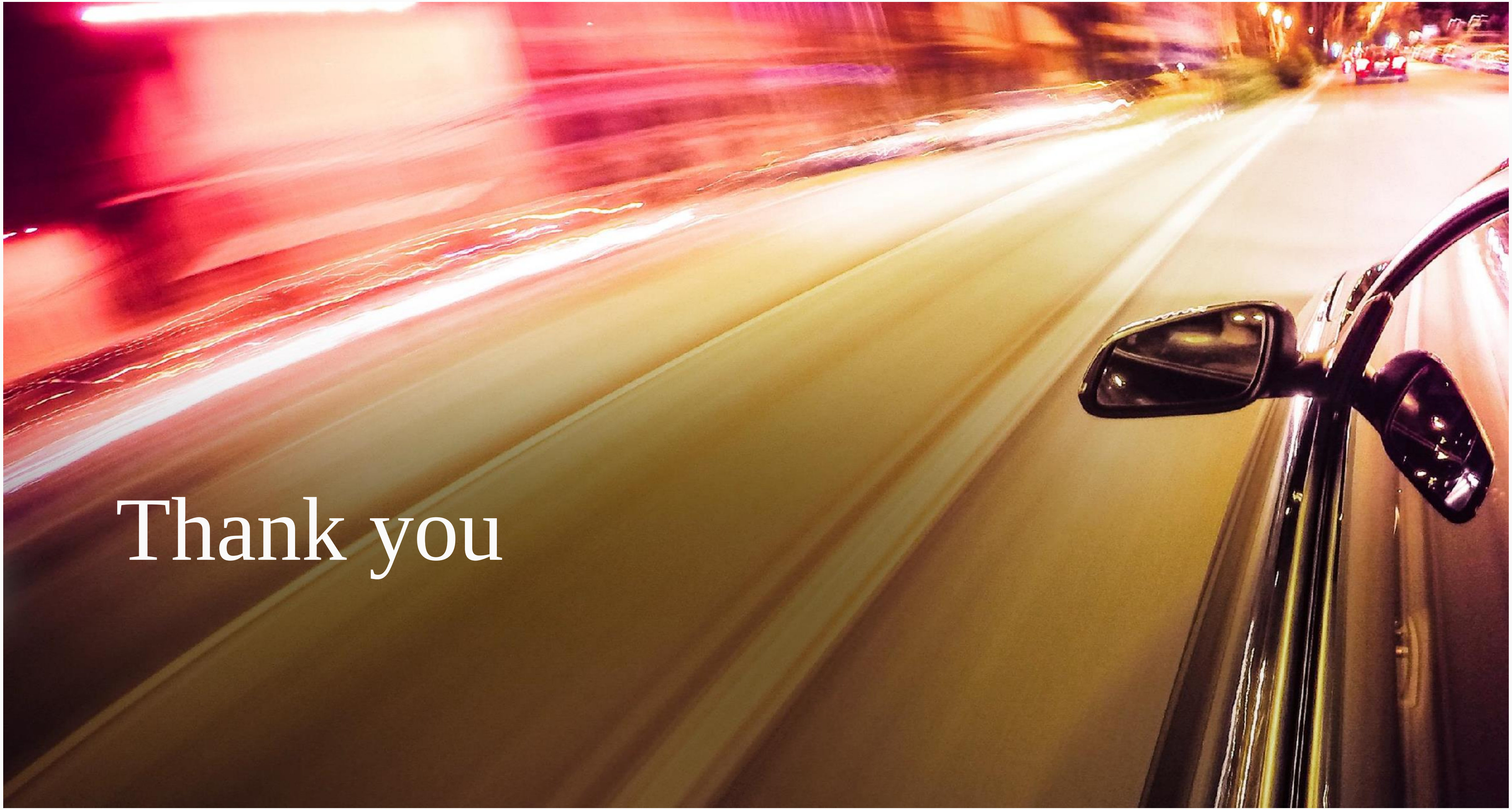
Any subsequent business you choose to transact shall be subject to the relevant terms and conditions thereof.

Neither the Company, Investec nor any officer or employee thereof accepts any liability whatsoever for any direct or consequential loss arising from any use of this Communication or its contents.

This product is not sponsored, endorsed, sold, or promoted by the index or indices, as specified herein, or the relevant Index sponsor, being the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the relevant Index and (b) announces (directly or through an agent) the level of the relevant Index on a regular basis. No Index sponsor makes any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. No Index or Index sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the Index and the Index Sponsor is under no obligation to advise any person of any error therein. No Index sponsor is making any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with entering into any transaction in respect of this product. Neither Investec nor the investor shall have any liability to the other for any act or failure to act by the Index sponsor in connection with the calculation, adjustment or maintenance of the Index. Investec has no affiliation with or control over the Index or Index sponsor or any control over the computation, composition or dissemination of the indices. Although Investec will obtain information concerning the indices from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by Investec as to the accuracy, completeness and timeliness of information concerning the indices.

China Seas Basket Limited ("the Company"), registration number 51929.

Investec Corporate and Institutional Banking (referred herein as "Investec") is a division of Investec Bank Limited registration number 1969/004763/06, an Authorised Financial Services Provider (11750), a Registered Credit Provider (NCRCP 9), an authorised Over the Counter Derivatives Provider, and a member of the JSE. Investec is committed to the Code of Banking Practice as regulated by the Ombudsman for Banking Services. Copies of the Code and the Ombudsman's details are available on request or visit Investec COBP.



Thank you