International
Opportunities
Limited

An investment structured *to endure*

Presentation

07 January 2025

Share Overview

Applications close on 07 **March 2025**

Term

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

Capital Preservation

100% capital preservation at maturity in USD.

Subject to the credit risks as described in this document.

Exposure to CSI 300

The Shanghai Shenzhen CSI 300 Index consists of shares of mainland China companies that trade on the two Chinese stock exchanges, the Shanghai Stock Exchange (SSE) and the Shenzhen Stock Exchange (SZSE). The Index consists of the 300 largest and most liquid A-share stocks. The Index aims to reflect the overall performance of the China A-share market.

International Opportunities Limited reserves the right to substitute the CSI 300 for a similar index that tracks Chinese equities.

Return

The share will return the growth of the index multiplied by a **participation of 130%**[1], with index growth capped at 60%. Therefore, the **maximum return is 78%** (130% x 60%). Equivalent to an annualized return of 12.2% in USD.

1. The participation is dependent on market conditions on trade date (the current participation is 130%). International Opportunities Limited reserves the right to trade a minimum participation of 120% if required by market conditions on trade date.

Minimum Investment

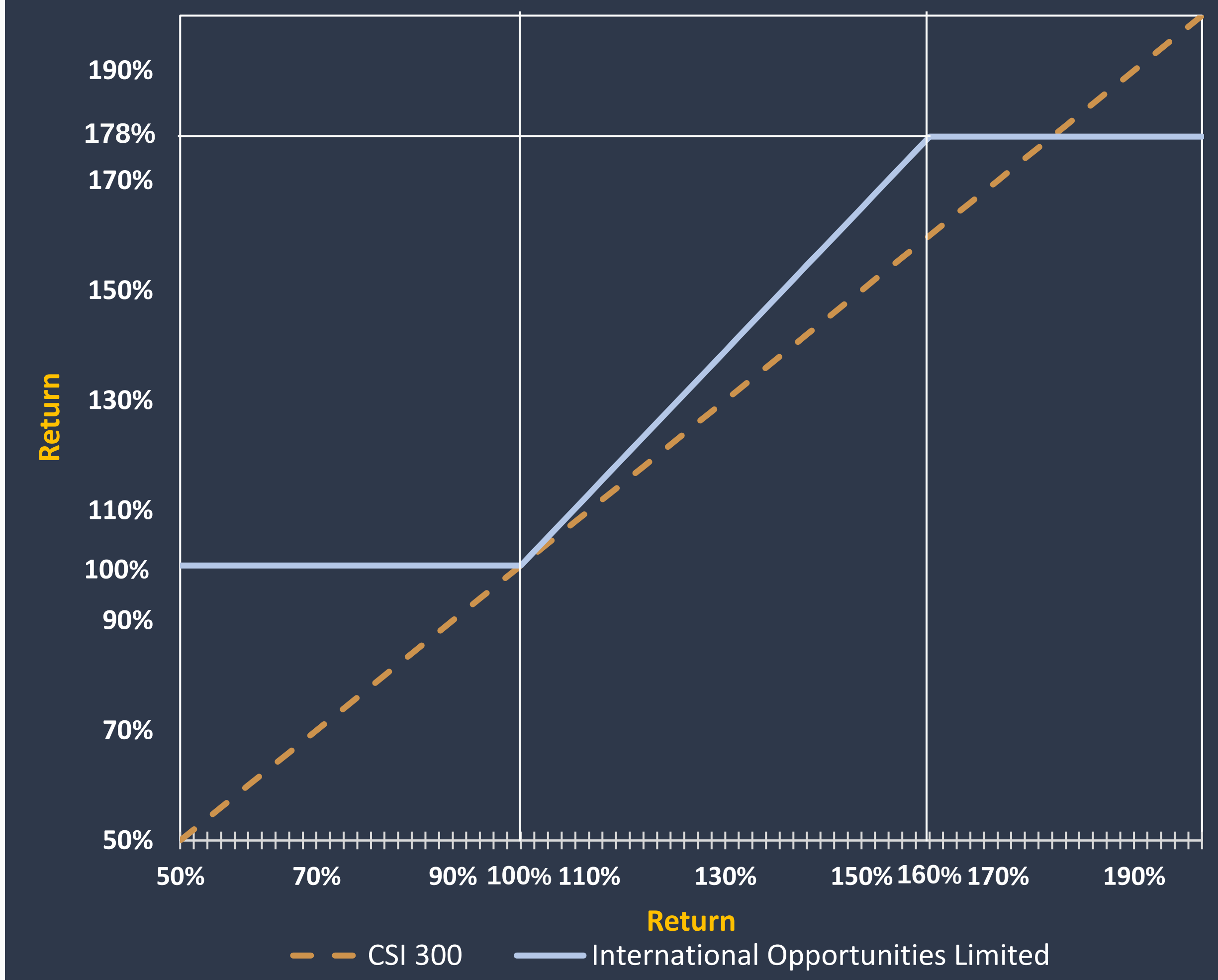
USD 10,000

Share Return Example

	Index decreases	Index increases by less than 60%	Index increases by more than 60%
Assumed Initial Index level	100	100	100
Assumed final Index level	50	130	170
Index return	-50	30	70
Option return with a participation of 130% up to a 60% Index growth cap (max return of 78%)	0	39	78
Debt return (capital preservation)	100	100	100
Total share value at maturity (option + debt)	**100**	**139**	**178**

Note: All payoffs assume that no default event or credit event has occurred with respect to a debt instrument during the term of the investment.

Payoff Profile



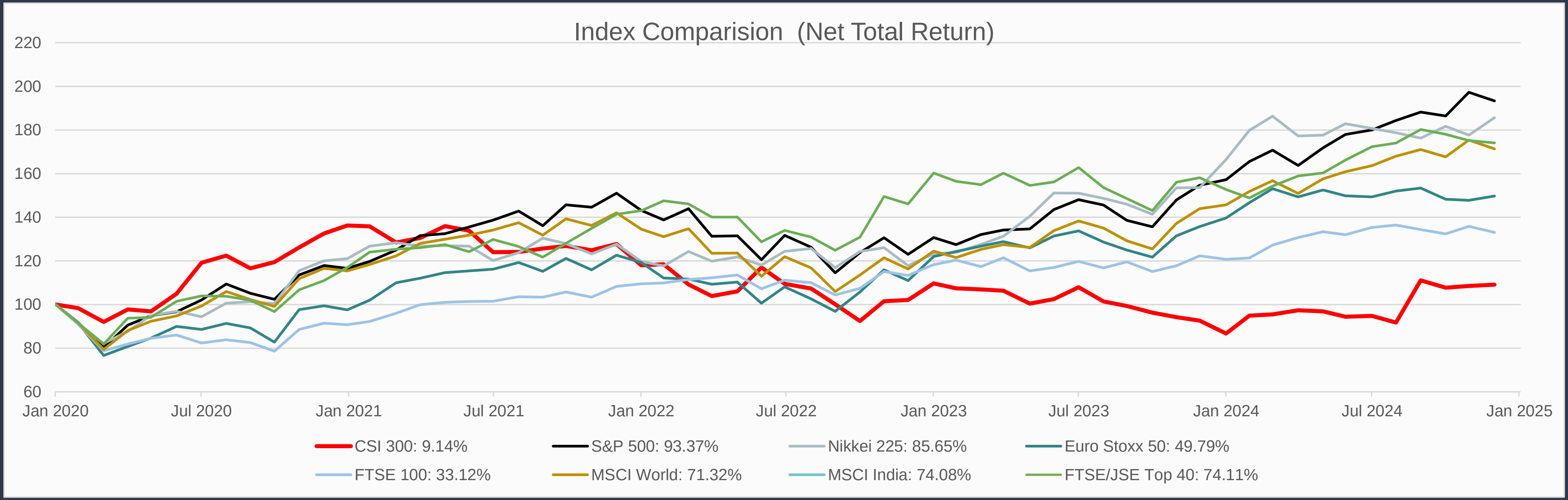
Index Correlation

	CSI 300	S&P 500	Euro Stoxx 50	FTSE 100	Nikkei 225	MSCI World	Bloomberg Commodity Index	Top 40	iShares MSCI India
CSI 300	1.00	0.35	0.37	0.40	0.32	0.39	0.24	0.43	0.16
S&P 500	0.35	**1.00**	0.82	0.82	0.74	0.97	0.46	0.71	0.56
Euro Stoxx 50	0.37	0.82	**1.00**	0.89	0.73	0.90	0.47	0.78	0.57
FTSE 100	0.40	0.82	0.89	**1.00**	0.71	0.90	0.61	0.83	0.55
Nikkei 225	0.32	0.74	0.73	0.71	**1.00**	0.81	0.39	0.67	0.51
MSCI World	0.39	0.97	0.90	0.90	0.81	**1.00**	0.54	0.80	0.60
Bloomberg Commodity Index	0.24	0.46	0.47	0.61	0.39	0.54	**1.00**	0.63	0.30
Top 40	0.43	0.71	0.78	0.83	0.67	0.80	0.63	**1.00**	0.57
iShares MSCI India	0.16	0.56	0.57	0.55	0.51	0.60	0.30	0.57	**1.00**

Source: Bloomberg
Index data in USD | Monthly returns from inception of CSI300 (08.04.2005 until present)

Index Comparison

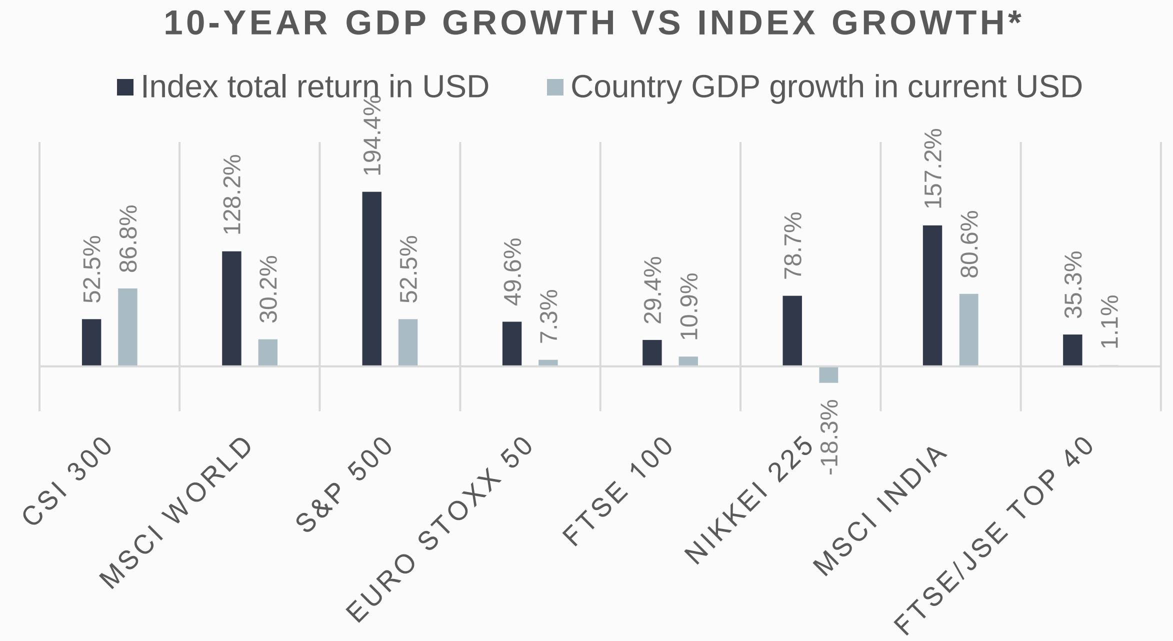
The CSI 300 has decreased by 32.1% since its high in February 2021 so it appears to have a decent entry point with a relatively favorable valuation compared to other major indices.

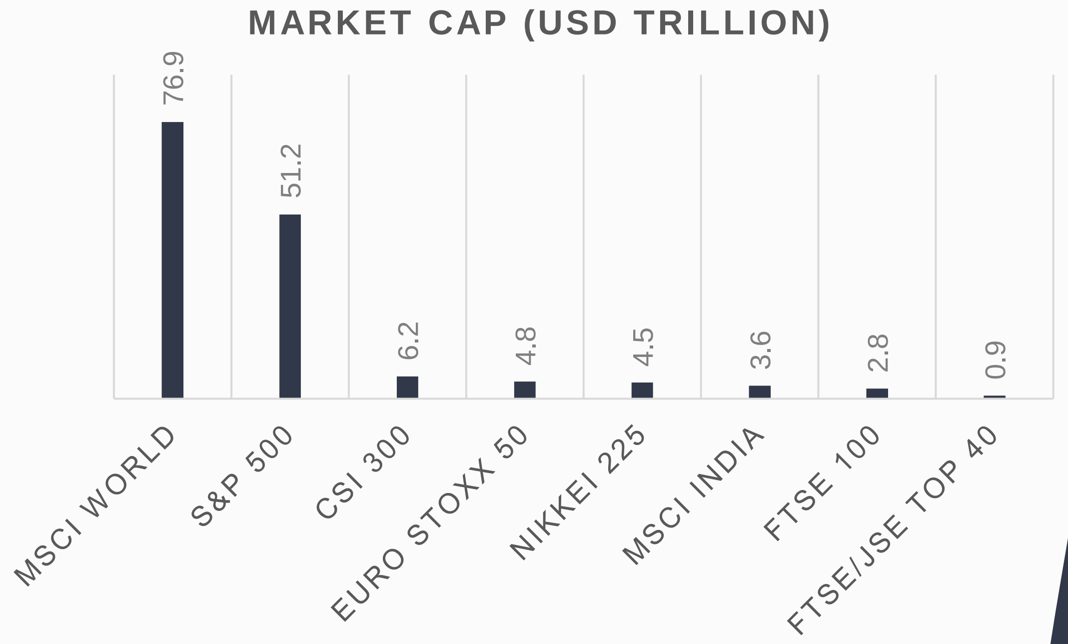


	CSI 300	S&P 500	Nikkei 225	Euro Stoxx 50	FTSE 100	MSCI World	MSCI India	FTSE/JSE TOP 40
Forward PE Ratio	14.9	25.1	19.6	14.4	11.9	21.6	25.5	13.4
Price to Book Ratio	1.6	5.1	2.2	2.0	1.9	3.5	4.0	1.8
Return on Equity	10.1%	17.6%	10.2%	12.7%	9.9%	14.1%	15.7%	4.9%

 Source: Bloomberg – 31 Dec 2024

Index Comparison



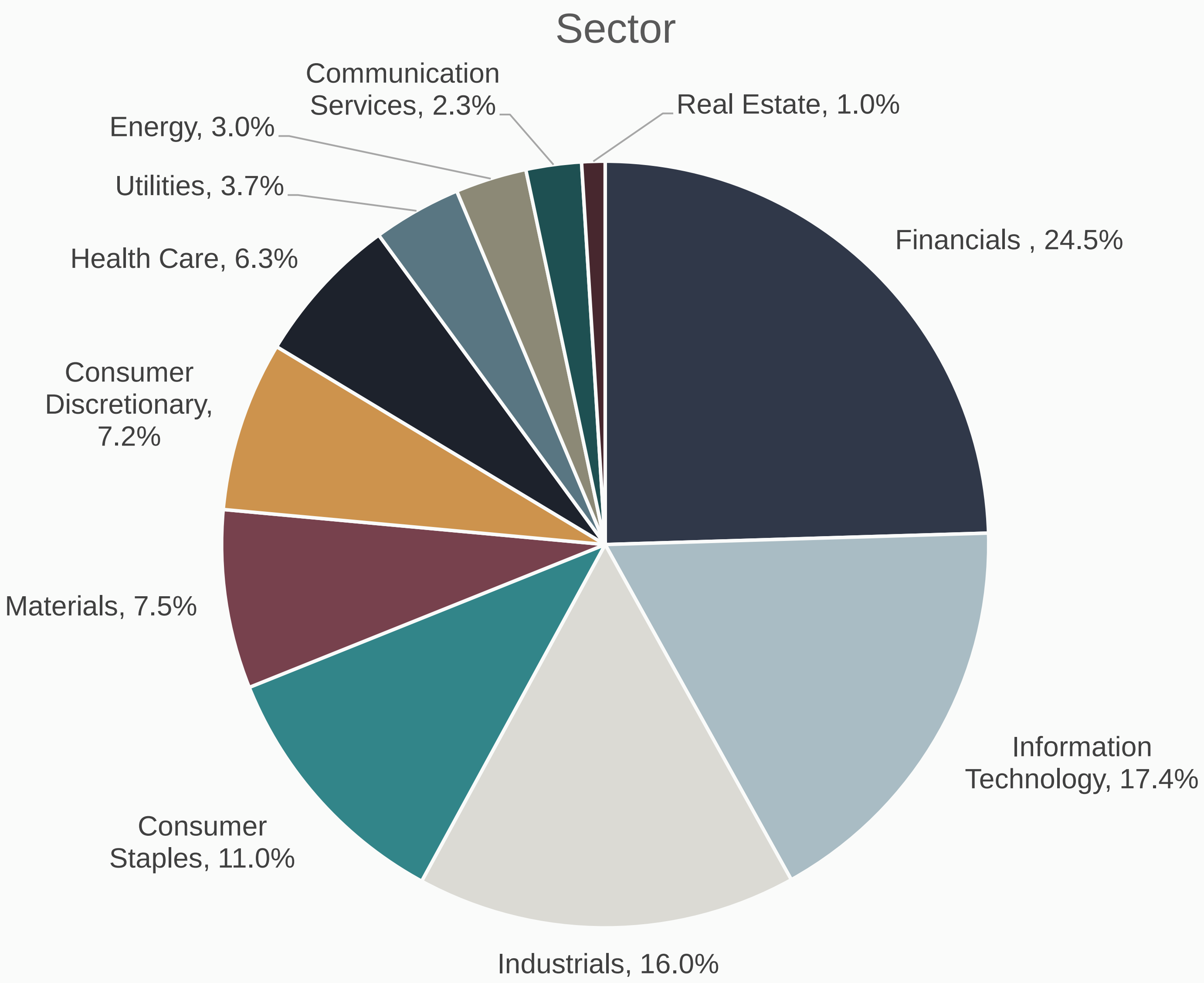


*10Y period from 31 Dec 2013 to 31 Dec 2023 (latest available World Bank GDP data).

	USA	China	Euro Area	Japan	India	UK	South Africa
GDP (USD trillion)	27.36	17.79	15.54	4.21	3.55	3.34	0.37
General Government Debt % of GDP (IMF)	122.1%	90.2%	88.1%	251.2%	83.1%	101.8%	75.0%

Source: Bloomberg

CSI 300



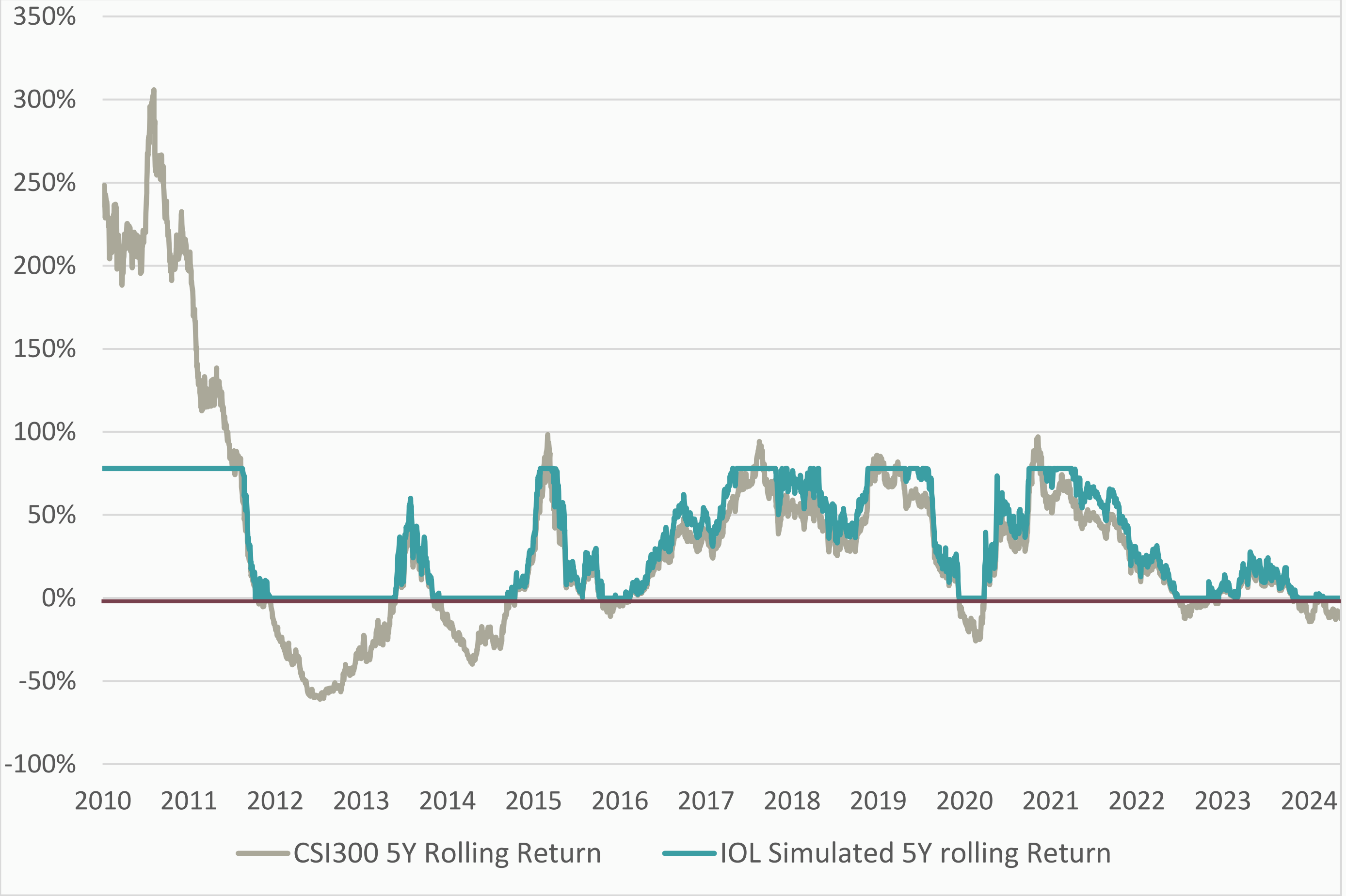
As at 11 Nov 2024:

Launch Date	08 April 2005
Domicile/Currency	China A-share/CNY
Number of Stocks	300
Weighting Method	Price Weighted
12 Historic P/E Ratio	16.2
Dividend Yield	2.58%

Top 10 Constituents	Weight	Sector
Kweichow Moutai	4.74%	Consumer Staples
CATL	3.33%	Industrials
Ping An Insurance Company of China	2.97%	Financials
China Merchants Bank	2.24%	Financials
Oriental Wealth	1.71%	Financials
Midea Group	1.65%	Consumer discretionary
CITIC Securities	1.61%	Financials
Yangtze River Power	1.59%	Utilities
Wuliangye Yibin	1.42%	Consumer Staples
Zijin Mining Group	1.28%	Materials

Back Tested Payoff Simulation

5-year rolling returns of the CSI 300 vs. International Opportunities Ltd with 130% gearing up to a maximum return of 78%.

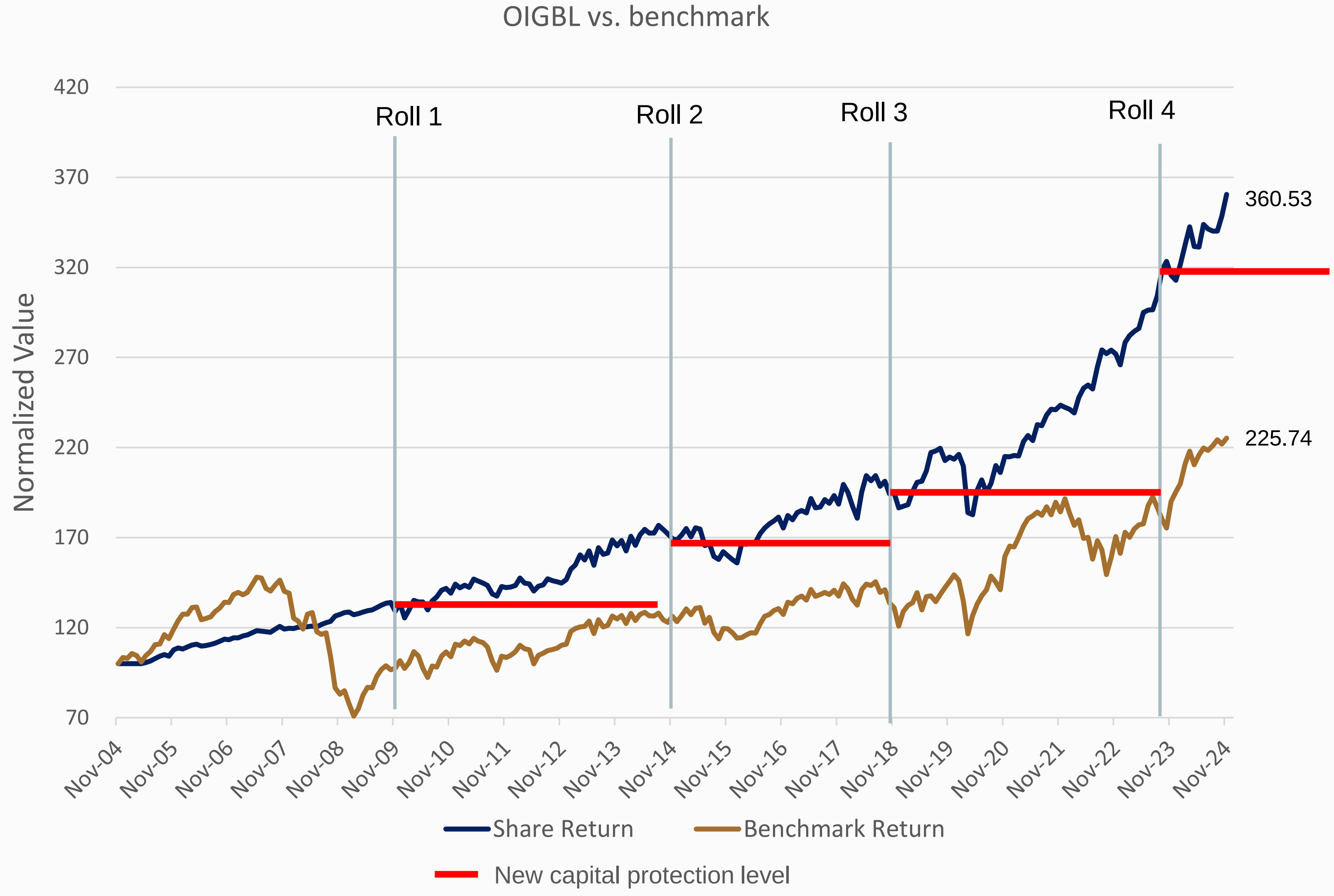


The graph on the left illustrates a simulated payoff for IOL. Historic data for the Index was used to calculate the 5Y rolling returns for every day since the Index was launched in April 2005. The Index 5Y return was negative 27.6% of the time while IOL would have returned the investor's capital. IOL outperformed the Index 86.2% of the time.

CSI 300 Since 2005	
% of 5Y Returns that were negative	**27.59%**
% of 5Y returns less than 78% (IOL outperformed the Index)	**86.2%**
% of 5Y returns greater than 78%	**13.8%**

*Source: Bloomberg: Oct 2024

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.

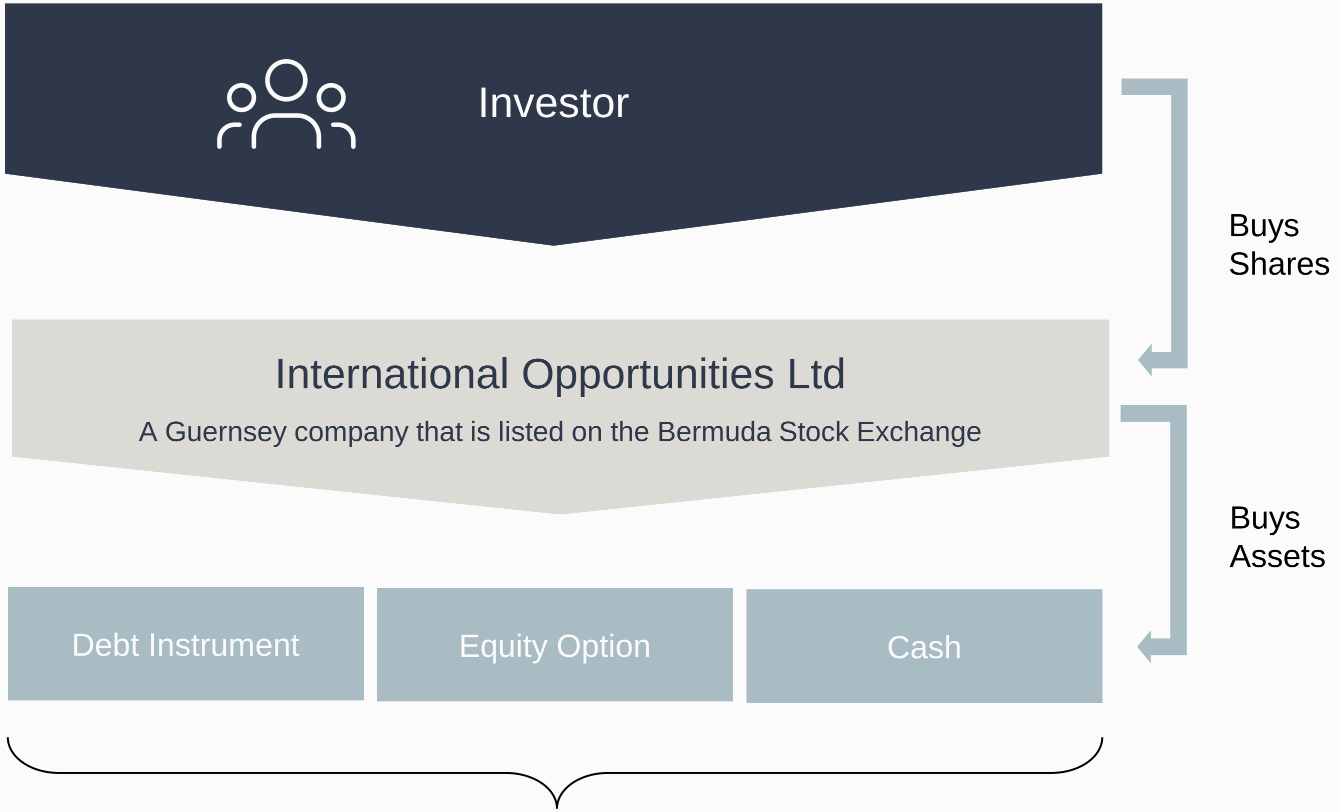
The Value of 100% Capital Protection at Expiry

- 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.

MSCI World All Country Index – **annualized return since 1990 = 5.5%**

Nature of the Investment



Investors gain exposure to the structured product payoff 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 October 2024, a company called International Opportunities Limited was incorporated in Guernsey. The company was formed to buy financial instruments that create a structured payoff profile.
- 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.
- At maturity of the offering, shareholders will be given the opportunity to redeem their shares or to remain invested and gain exposure to the subsequent structured product payoff profile.

Instrument Breakdown

Component of Structure	Day 1 Value	Maturity Value after 5Y	Notes
Credit linked Note (Debt Instrument)	74%	100%	1
Provision for fees, costs and expenses (c1.4% p.a.)	7.5%	0	2
1.3 x options over the index with a call spread of 100% to 160%	18.5%	0% - 78%	3
Total	**100%**	**100% - 178%**	

Option Breakdown		Notes
Funds available to spend on options	**18.5%**	4
Cost to buy a call option struck at 100%	-18.5%	
Income from selling a call option struck at 160%	4.3%	5
Combined cost	**-14.2%**	
1.3 x option structures are purchased, providing the participation of 130% up to the cap (18.5% spend / 14.2% cost)	1.3	6

Notes:

1. Credit linked note starts at 74% and accrues interest over time until it reaches 100% of the investor's capital at maturity, on condition that there is no credit event over the term of 5 years. 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 the final index level is below the initial index level) and up to a maximum value of 78% of the initial capital invested by the investor.

4. 100% capital – 74% CLN – 7.5% fees

5. This is why the investor is only exposed to the first 60% of index growth

6. This is how the 130% 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 178% 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.*

Credit Risk

Investors have credit risk on counterparties of the Company, in particular the providers of the capital protection, the credit reference entities and equity option providers.

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 a credit event occurs in relation to the a credit reference entity's subordinated debt then the issuer of the CLN is not obliged to repay the full outstanding capital.

Therefore, the investor accepts that if the debt issuer defaults or a credit event occurs in relation to a credit reference entity's subordinated debt, 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.

Credit Risk

Issuer

(Senior Unsecured)

The issuer will be one or more of the following banks:

- Bank of America
- Goldman Sachs
- Citigroup
- Morgan Stanley

Credit Reference Entities

(Subordinated Tier 2 Obligations)

Three of the following five credit reference entities will be selected on trade date. Only 1/3 of the investor's capital will be exposed to each of the selected entities

- Barclays PLC
- Deutsche Bank AG
- NatWest Group PLC
- Lloyds Banking Group PLC
- Société Générale S.A.

- It should be noted that the international credit rating of the debt instrument 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.

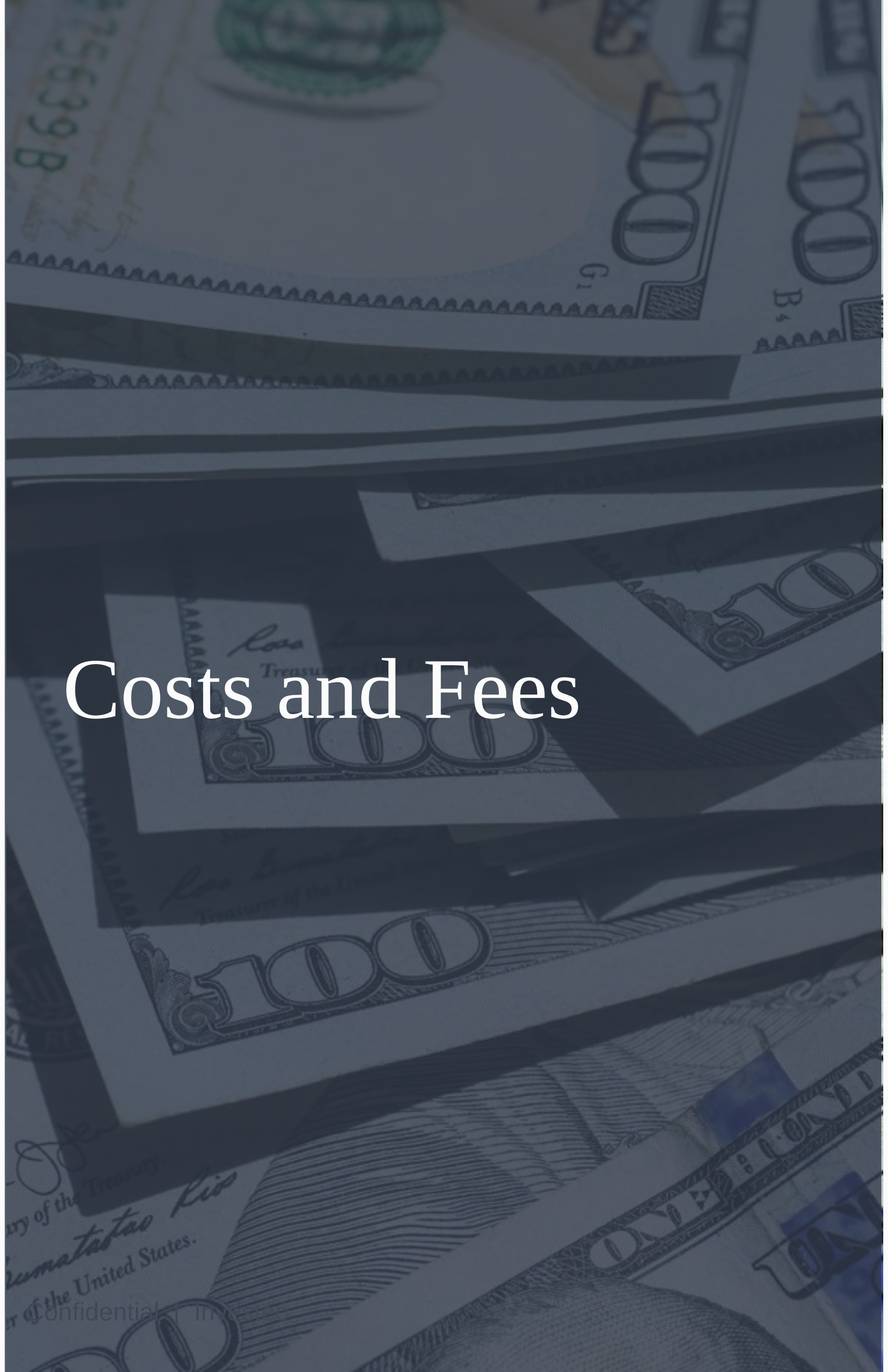
- Structured products provide capital protection through the assumption of credit risk. They are intended for sophisticated investors who understand this risk and are willing to take it. There is credit risk on the debt issuer, each reference entity (the credit risk relates to the subordinated debt issued 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.

Credit Risk

	Entity	Market Cap (USD Bn)	Debt ranking below CLN level (USD Bn)	Credit Rating Fitch	Credit Rating Moodys	Credit Rating S&P	Bloomberg 2Y Probability of Default
Potential Issuers (Senior Unsecured)	CitiGroup	132	214	A	A3	BBB+	0.2267%
	Goldman Sachs	196	217	A	A2	BBB+	0.2215%
	Morgan Stanley	215	208	A+	A1	A-	0.1902%
	Bank of America	353	298	AA-	A1	A-	0.1923%
Potential Credit Reference Entities (Subordinated Tier 2)	Barclays	48	16	BBB+	Baa1	BBB-	0.0835%
	Société Générale	23	10	BBB	Baa3	BBB-	0.5147%
	NatWest Group	40	6	BBB+	Baa2	BBB-	0.1584%
	Deutsche Bank	34	13	BBB	Baa3	BBB-	0.2179%
	Lloyds Banking Group	42	10	BBB+	Baa1	BBB-	0.1973%

It should be noted that the international credit rating of the Potential Issuers (senior unsecured) and the potential Credit Reference Entities (Subordinated, Tier 2) are all rated as investment grade.

The equity option provider(s) will have a S&P credit rating of "A" or better.



Costs and Fees

An initial once off expense provision of an estimated 1% of the Principal Amount (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 c7.5%, or 1.46% 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 International Opportunities 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. This will be deducted from the gross 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/

ISIN: GG00BRBPZ747	
Bloomberg: 2506176D BH Equity	

Important dates

Closing Date	**07 March 2025**
Trade Date	Within 25 business days of the Closing Date
Contract Notes	To be issued on or before **07 April 2025** 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

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 have shown significant volatility in recent months as election outcomes, global inflation expectations and economic growth prospects in many countries have influenced markets. As of December 2024, interest rates are at relatively elevated levels, which in turn improves the potential equity participation of the Company. The Investment Advisor (Investec Bank Limited) will therefore seek to purchase some instruments (being interest rate hedges and/or debt instruments) ahead of the product trade date in order to secure these attractive yields. 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 yield 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 costs and any gain/loss obtained from the Investment Advisor's interest rate hedge will be passed through to the Company by means of an adjustment to the purchase price of the debt instrument. Investors should therefore be aware that movement in interest rates between the date of acquisition of the debt instruments/ interest rate hedges and the trade date will have the following effect on the payoff and day 1 valuation in various scenarios.

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			Current		
Base rate on trade date	2.8%	3.3%	3.8%	4.3%	4.8%
Day 1 valuation gain or loss on USD 25m interest rate hedge	3.6%	1.8%	0.0%	-1.7%	-3.4%

Note: The above indicative table assumes a $25m interest rate hedge is traded ahead of 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.

Supplier Details

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

Supplier	International Opportunities 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	Investec Corporate and Institutional Banking is the Investment Adviser to the Board of International Opportunities Limited
Compliance officer	Diphapang Molope
Contact number	+27 11 286 9157

Contact Us

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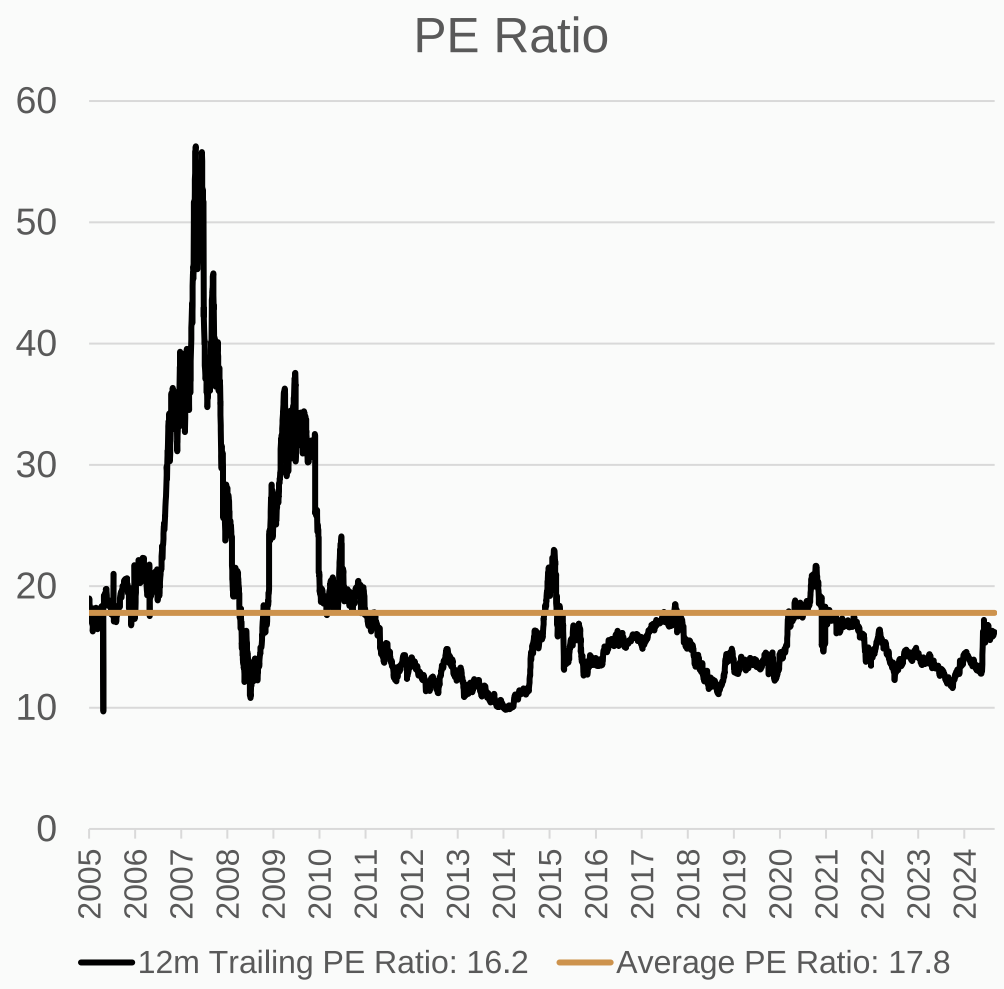
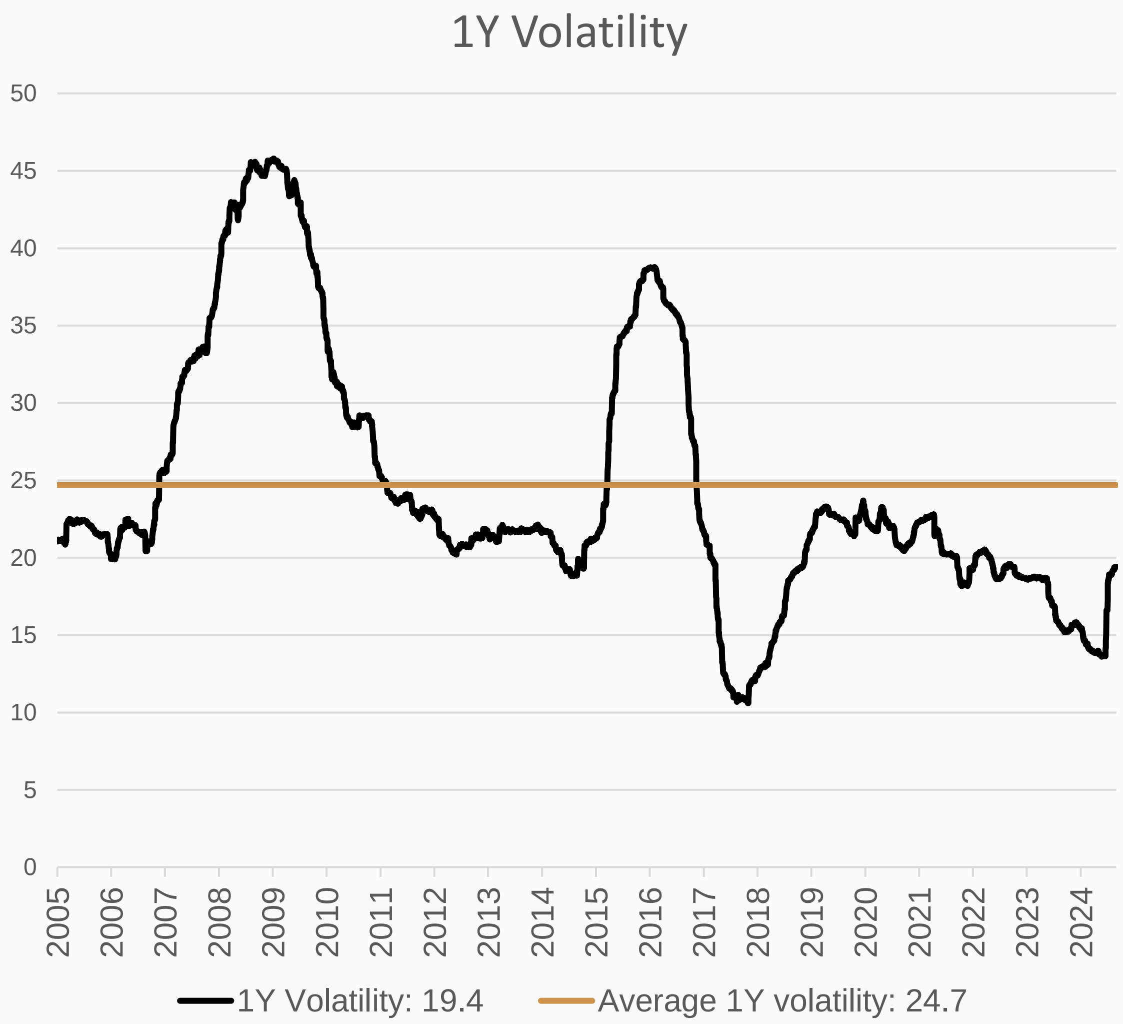
Thank you

Supplementary Information

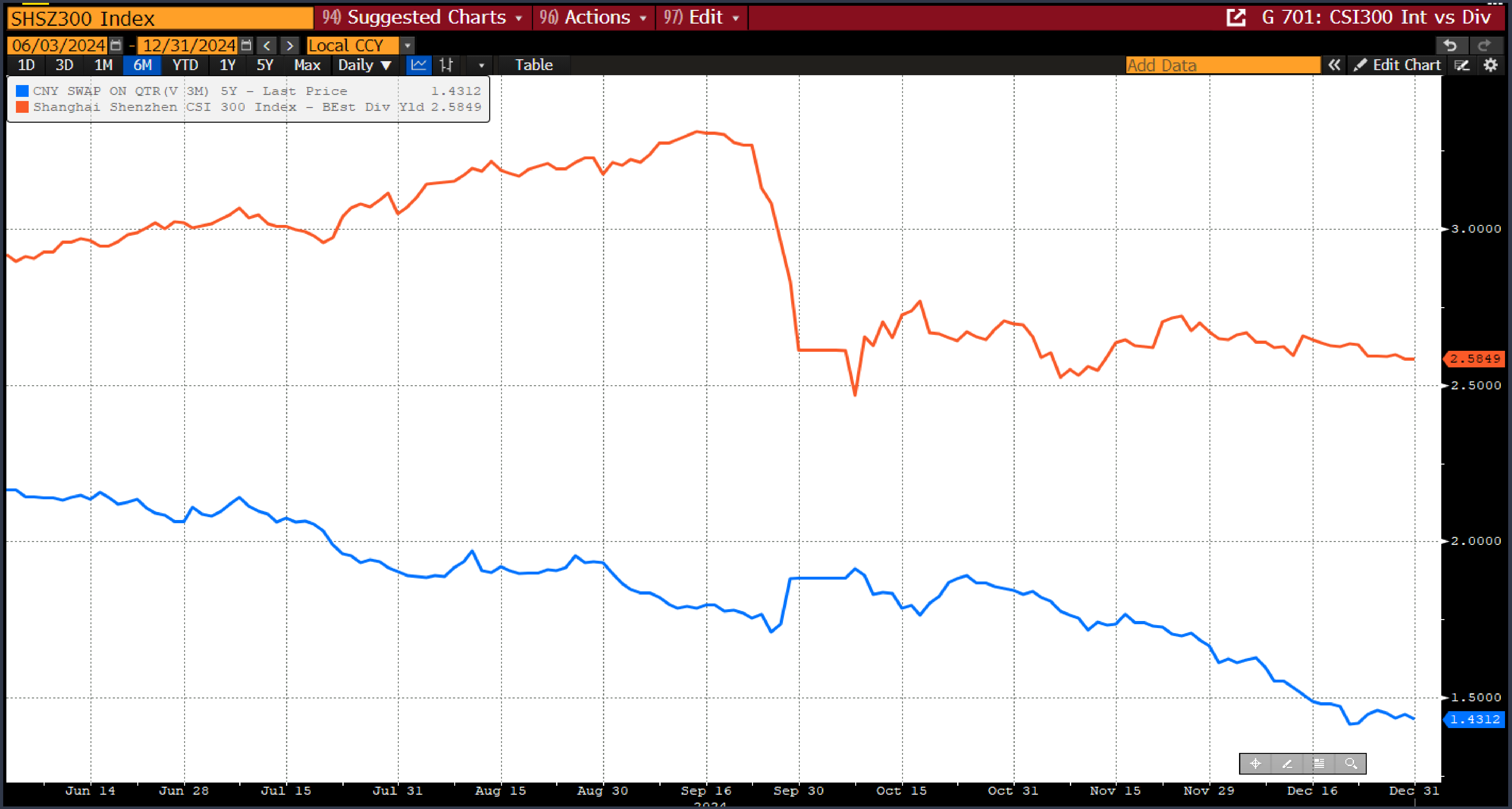
CSI 300





*Source: Bloomberg: 31 Dec 2024

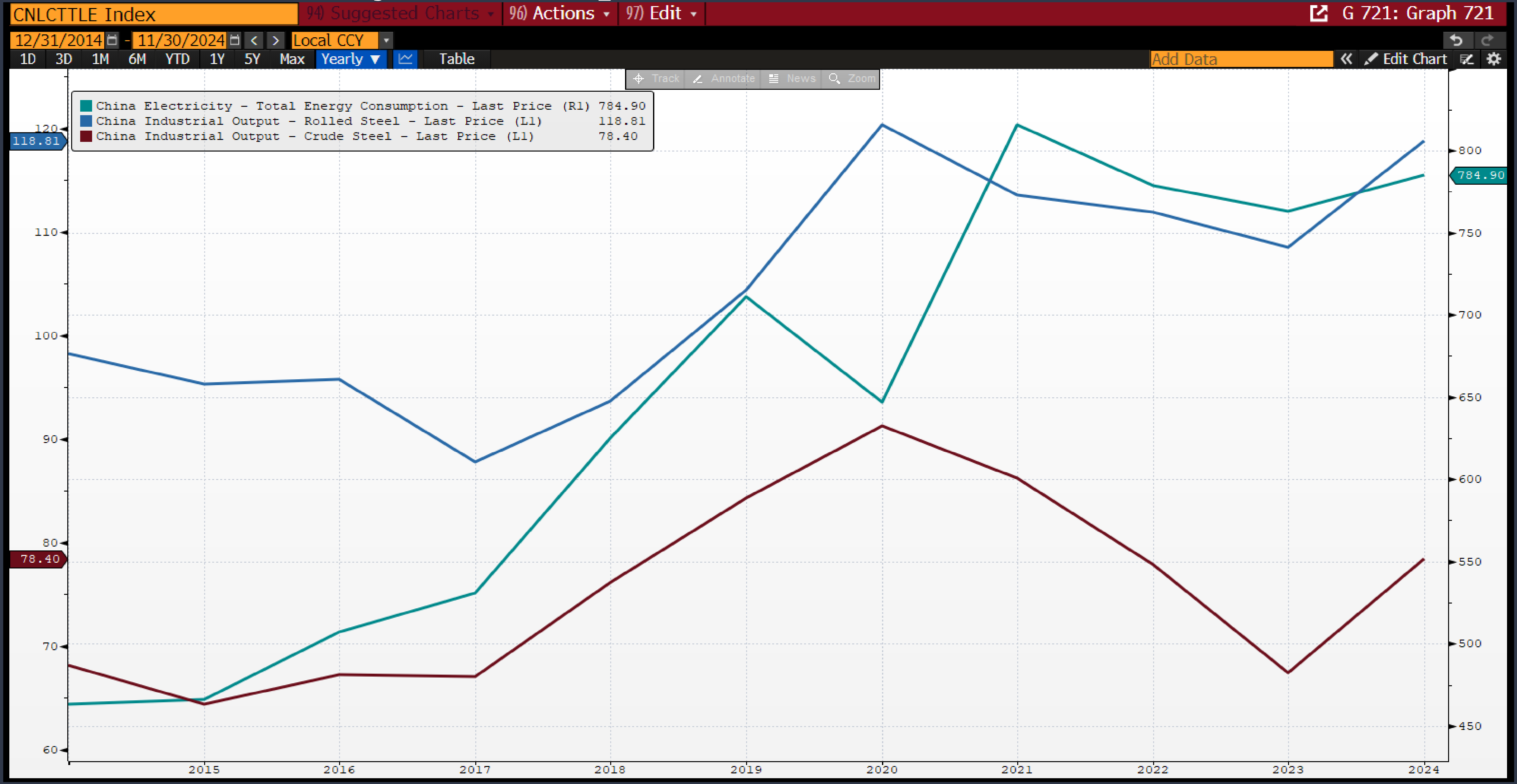
Forward Dividend Yield vs CNY Interest Rates (5Y Swap)



China GDP Growth and Inflation

Source: Bloomberg

China Electricity Consumption and Steel Production

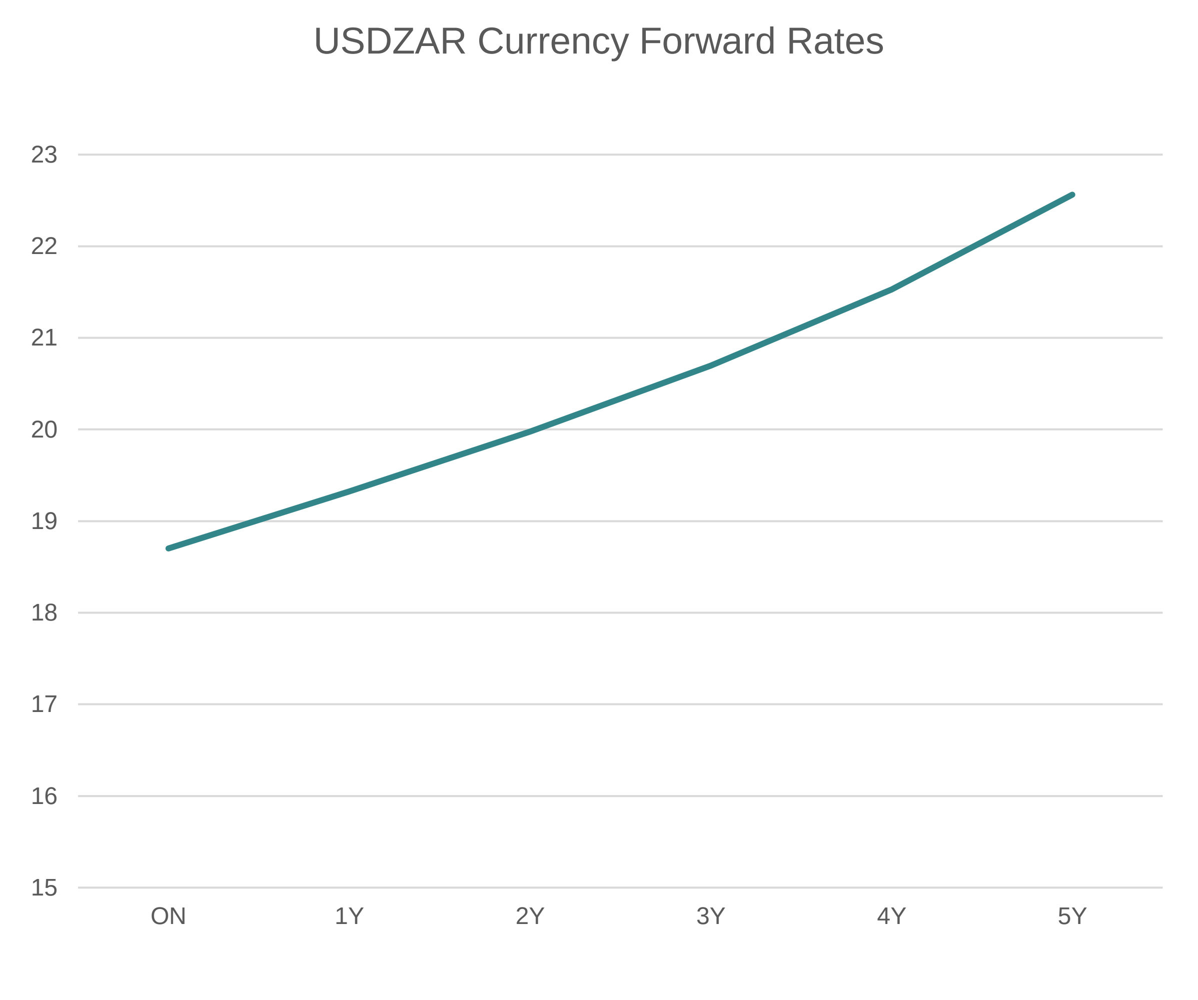


Source: Bloomberg

China Foreign Exchange Reserves

Source: Bloomberg

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 **20.6%** over the next 5-years, indicating a 3.8% annual ZAR depreciation is priced in by the market.

*Source: Bloomberg 31 Dec 2024