

# anadara

EMERGING MARKETS SERIES 1

INDIA



FOR WHOLESALE INVESTORS ONLY

Term Sheet IM dated 4 September 2024

This Term Sheet IM dated 4 September 2024 supplements the IM dated 1 September 2023 (the “**Master IM**”) issued by Anadara Specialist Investments Pty Ltd (“**the Issuer**”). This Term Sheet IM together with the Master IM constitutes the IM for the Offer of the Series of Anadara Emerging Markets Series 1 – India (“**the Units**”) as described below.

This IM is for the offer of an agreement to purchase the shares (“**Delivery Assets**”) specified in Section 2 “Term Sheet” of this Term Sheet Information Memorandum (“**Term Sheet IM**”) on certain terms including deferred delivery and entry into an Investment Loan for the Investment Amount (“**the Offer**”). This Term Sheet IM is dated 4 September 2024 and is issued by Anadara Specialist Investments Pty Ltd (ACN 668 232 488) (“**the Issuer**”) and arranged by Viriathus Capital Pty Ltd (ACN 113 959 596 AFSL 297950.) (“**the Arranger**”) pursuant to Section 911A(2)(b) of the Corporations Act. Pursuant to Section 911A(2)(b), the Issuer will issue the Units in accordance with the offer made by the Arranger.

This IM has not been lodged and is not required to be lodged with the Australian Securities and Investments Commission (“**ASIC**”). ASIC and its officers take no responsibility for the contents of this IM.

All fees in this IM are stated inclusive of any GST (unless stated otherwise).

All monetary amounts referred to in this IM are given in Australian dollars (unless stated otherwise). All references to legislation in this IM are to Australian legislation.

### **Investments in the Units**

This IM (including the Master IM) is an important document which should be read before deciding to acquire the Units. The information in this IM is general information only and does not consider an individual's investment objectives, financial situation or particular needs or circumstances.

Nothing in this IM is a recommendation by the Issuer or its related bodies corporate or by any other person concerning investment in the Units or the Reference Asset or any specific taxation consequences arising from an investment in the Units. Potential investors should also obtain independent financial and taxation advice as to the suitability of this investment to them having regard to their investment objectives, financial situation, and particular needs. No cooling off rights apply to investments in the Units.

Potential Investors should note that the Issuer retains discretion to amend the closing date for the offer for a Series and move the Commencement Date (and all other consequential dates) for a Series, or not to continue with the issue of a Series of Units on the Commencement Date and terminate any Units in that Series already issued, including where there is a significant change in the Issuer's cost of hedging between the date of this Term Sheet IM and the Commencement Date. In particular, the Issuer will not continue with the issue of a Series of Units if it considers that it and its affiliates have not completed sufficient arrangements for management of their respective obligations in respect of that Series of Units. If a decision is made not to issue a Series of Units or to terminate Units in a Series that have already been issued, the Issuer will return the Prepaid Interest, and any applicable Fees, that have been paid upfront to applicants without interest within 10 Business Days of the scheduled Commencement Date.

### **Eligible investors and electronic IM**

This IM and the Offer are available only to Australian resident wholesale investors (as defined by the Corporations Act) receiving this IM (including electronically) in Australia. Applications from outside Australia will not be accepted.

The Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold in the United States or to, or for the benefit of U.S. persons unless the Units are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available.

**Updated information**

Information set out in this Term Sheet IM is subject to change from time to time. Information not materially adverse to Investors in the Units may be amended without issuing an updated or supplementary Term Sheet IM.

**Making an investment**

Units can only be issued if potential investors use an Application Form (including relevant attachments) attached to either a paper or electronic copy of this IM.

**Returns not Guaranteed**

Returns on the Units are not guaranteed. The Issuer and the Arranger nor any of their associates or subsidiaries guarantee the return on an investment in the Units or any gain. Investors may not recoup the total amount of any amounts outlaid as there is no guarantee that returns on the Units will be in excess of these amounts paid by Investors. Please refer to Section 2 "Risks" in the Master IM.

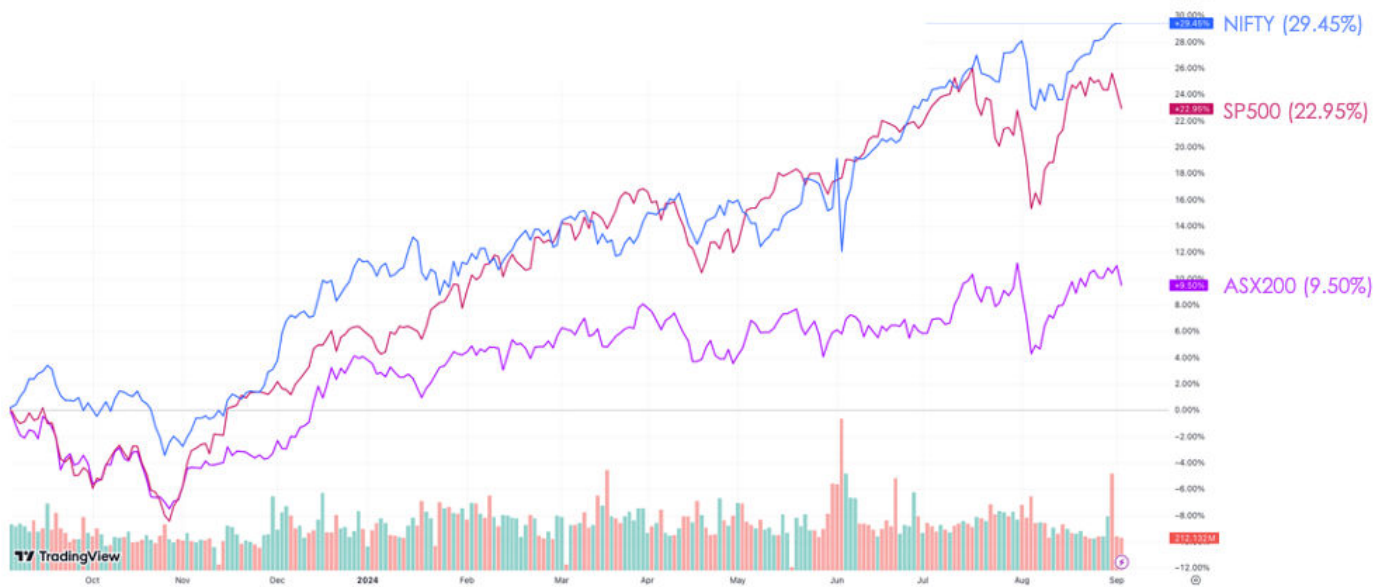
**Definitions**

Capitalised terms used in this IM have the meaning given in Section 8 "Definitions" of the Master IM, and as defined in this Term Sheet IM.

## 1. Overview

The Indian stock market has performed remarkably well in recent years due to a combination of strong economic fundamentals, robust corporate earnings, and favourable government policies. India's economy has been one of the fastest growing in the world, driven by a large domestic market, a young workforce, and rapid urbanization. Government initiatives like the "Make in India" campaign, tax reforms such as the Goods and Services Tax (GST), and increased focus on infrastructure development have bolstered investor confidence. Additionally, India's digital revolution has created a surge in demand for technology and financial services, contributing significantly to the stock market's upward trajectory.

Compared to other major stock markets around the world, India's performance stands out. While markets in the U.S., Europe, and Australia have faced volatility due to factors like inflation, geopolitical tensions, and economic slowdowns, India has largely maintained its growth momentum.



For instance, the BSE Sensex and NSE Nifty 50, India's leading indices, have outperformed many global peers, including the S&P 500, ASX200, and Hang Seng Index in recent years. The resilience of the Indian market is partly due to its strong domestic consumption base, which shields it from some global shocks and external market fluctuations.

Furthermore, foreign investors have increasingly favoured India, attracted by its growth potential and relatively stable political environment. The consistent inflow of foreign direct investment (FDI) and foreign portfolio investment (FPI) into Indian equities reflects global confidence in India's long-term growth story. While other emerging markets have been impacted by concerns over currency depreciation and fiscal deficits, India's robust forex reserves and prudent fiscal management have strengthened its appeal. Consequently, India's stock market has not only performed well relative to its historical performance but has also emerged as a standout performer in the global arena.

For investors that share our view that **the Indian Market** will outperform during the Investment Term, Anadara has structured an investment that offers 100% leveraged exposure to the iShares MSCI India ETF via a tax effective limited recourse loan over 12 months. Investors have the opportunity to receive an uncapped Performance Coupon with this investment.

*\*Coupons will be adjusted for any changes in the USD/AUD exchange rate.*

**Australian Tax Office Product Ruling PR 2024/6 has been issued in relation to the Master IM and confirms certain aspects of the tax treatment of an investment under this Term Sheet IM. Learn more [HERE](#)**

A summary of the key features are as follows:

Features	Anadara Global Indices Series 1
Reference Asset	iShares MSCI India ETF (INDA) <a href="https://www.ishares.com/us/products/239659/ishares-msci-india-etf">https://www.ishares.com/us/products/239659/ishares-msci-india-etf</a>
Performance Coupon	Yes, there is potential for a Performance Coupon at Maturity based on the Reference Assets Performance at Maturity, adjusted for any changes in the AUD/USD exchange rate during the Investment Term.
Currency Exposure	Yes, the potential Performance Coupon at Maturity is adjusted for changes in the AUD/USD exchange rate during the Investment Term.
Limited recourse Loan	Yes. Investors borrow 100% of the Investment Amount.
Investment Term	12 months
Early Maturity Possibility	Yes
Annual Interest Rate on Loan	9.50% p.a.
Application Fee	1.10% including GST
Total Investment Cost	10.60% (payable upfront)
Minimum Amount Payable	\$10,600 for a \$100,000 Loan and 100,000 Units
Break-Even Point	The Performance Coupon at Maturity needs to be equal to or greater than 11% for investors to at least break even. Refer to section 5 for more information.
Maximum Loss	Due to the limited recourse nature of the loan, the maximum loss that can be ever incurred is the Total Investment Cost. There is no additional risk of loss in relation to the Loan Amount.
Margin Calls	No
Taxation	<p>Australian Tax Office Product Ruling PR 2024/6 has been issued in relation to the Master IM and confirms the tax deductibility of the Total Investment Cost.</p> <p><b>The Commissioner of Taxation (Commissioner) does not sanction, endorse or guarantee this product. Further, the Commissioner gives no assurance that the product is commercially viable, that charges are reasonable, appropriate or represent industry norms, or that projected returns will be achieved or are reasonably based.</b></p>

## 2. Term Sheet – Anadara Emerging Markets Series 1 - India

The following Term Sheet is a summary of the key dates and terms of the Units. However, this section is not intended to be a complete summary of this Term Sheet IM, or the Master IM and you should read the entire Term Sheet IM and Master IM before deciding whether or not to invest. The information in this section is qualified in its entirety by the more detailed explanations set out elsewhere in this Term Sheet IM and Master IM, in particular Section 4 "Terms of the Deferred Purchase Agreement" in the Master IM.

<b>Offer Opening Date</b>	4 September 2024
<b>Offer Closing Date</b>	27 September 2024
<b>Interest Payment Date</b>	27 September 2024
<b>Commencement Date / Issue Date</b>	4 October 2024 or as soon as reasonably practicable thereafter as determined by the Issuer and as notified to you.  The Commencement Date may be deferred as determined by the Issuer if any of the Terms of the offer cannot be achieved by the Issuer. Other relevant dates may be adjusted accordingly if required.
<b>Maturity Date</b>	3 October 2025
<b>Early Maturity Possibility</b>	Yes. If the Reference Asset's performance is positive during the Investment Term, the Issuer may offer investors the chance to bring forward the Maturity Date and end the investment early.
<b>Buy-Back Dates</b>	At the Issuer's discretion.
<b>Settlement Date</b>	10 Business Days after the Maturity Date, or such other date as determined by the Issuer in its discretion as is reasonably necessary for the Issuer to fulfil its obligations under the Terms.
<b>Reference Asset</b>	iShares MSCI India ETF (INDA) <a href="https://www.ishares.com/us/products/239659/ishares-msci-india-etf">https://www.ishares.com/us/products/239659/ishares-msci-india-etf</a>
<b>Issue Price</b>	\$1.00 per Unit
<b>Minimum Investment Amount</b>	100,000 Units at the Issue Price of \$1.00 per Unit.
<b>Investment Loan</b>	100% Limited Recourse Investment Loan
<b>Interest Rate and Prepaid Interest</b>	The Interest Rate in respect of the Investment Loan is 9.50% p.a.  The Prepaid Interest per Unit is 9.50% p.a. x 1 year x \$1.00 = \$0.095 per Unit  Prepaid Interest is required to be paid in advance on the Application Payment Date for the full Investment Term.
<b>Application Fee</b>	An Application Fee of 1.10% (inclusive of GST) is payable in respect of each application for Units. For example, if you applied for the Minimum Investment Amount of 100,000 Units, you would pay an Application Fee of \$1,100.  The Application Fee is required to be paid in advance on the Interest Payment Date.

<b>Total Investment Cost</b>	<p>The Total Investment Cost is calculated by multiplying the sum of the Prepaid Interest Rate and Application Fee by the number of units applied for.</p> <p>Based on the minimum subscription of 100,000 units, the Total Investment Cost would be A\$10,600, or \$0.106</p>
<b>Performance Coupon</b>	<p><i>Performance Coupon per Unit</i> = \$1.00 + [Reference Asset Ending Level / Reference Asset Starting Level – 1] x [FX<sub>Initial</sub>/FX<sub>Final</sub>]</p> <p>The minimum Final Value payable is \$1.00 per unit which will be set off against any outstanding Investment Loan at Maturity.</p>
<b>Reference Asset Starting Level</b>	The Reference Asset Closing Price on the Commencement Date.
<b>Reference Asset Ending Level</b>	The Reference Asset Closing Price on the Maturity Date.
<b>Reference Asset Closing Price</b>	The closing price of the Reference Asset as published by the Relevant Exchange on any scheduled Business Day.
<b>FX<sub>Initial</sub></b>	The AUD/USD exchange rate on the Commencement Date as determined by the Issuer.
<b>FX<sub>Final</sub></b>	The AUD/USD exchange rate on the Maturity Date as determined by the Issuer.
<b>Listing</b>	The Units will not be listed or displayed on any securities exchange.
<b>Withdrawal of the Units</b>	If the Issuer is unable to achieve the economic exposure described in this Term Sheet IM on the Commencement Date due to any condition set out in this Term Sheet IM not being satisfied (e.g. the Issuer being unable to hedge its obligations), or otherwise determines not to proceed with the issue for any reason, then the Issuer will terminate any Units already issued, and return the Prepaid Interest and Fees without interest. The Investment Loan will be terminated, and no drawdown will be made.
<b>Issuer</b>	Anadara Specialist Investments Pty Ltd (ACN 668 232 488)
<b>Arranger</b>	Viriathus Capital Pty Ltd (ACN 113 959 596 AFSL 297950)
<b>Registrar</b>	Registry Direct Pty Limited (ACN 160 181 840)
<b>Counterparty Risk</b>	Tier One Investment Bank
<b>Minimum Buy-Back Amount</b>	At the discretion of the Issuer.
<b>Beneficial Interest</b>	The Beneficial Interest in a Portion of the Delivery Asset held for each Unit an Investor holds. The Beneficial Interest will be set out in the Confirmation Notice sent to Investors and is a feature of the product designed to ensure the Units are a "security" under the Corporations Act.
<b>Minimum Early Maturity Value, Termination Payment</b>	<p>\$1.00 per Unit</p> <p>If the Units mature early for any reason, you will receive an Early Maturity Value of at least \$1.00 per Unit which will be applied to repay your Investment Loan. You will not have to pay any other fees, costs, or interest.</p> <p>Investors will not be entitled to a refund of any Prepaid Interest, or any other Fees paid in relation to the Units and will not be entitled to payment of the Final Value.</p>

	Please refer to Section 1.10 "Early Maturity" of the Master IM for more information on when the Units can mature early.
<b>Delivery Asset</b>	<p>iShares MSCI India ETF (<b>INDA</b>). On Maturity, the Issuer intends to deliver a parcel equal in value to the potential Performance Coupon ("<b>Delivery Parcel</b>") containing ordinary shares in iShares MSCI India ETF (<b>INDA</b>) ("<b>Delivery Asset</b>").</p> <p>If an Investor has not repaid the Investment Loan by the Maturity Date, such Investor will be deemed to have elected the Agency Sale Option and their Final Value will be set off against the outstanding Investment Loan and the Investor will not receive a Delivery Parcel.</p>
<b>Agency Sale Option</b>	<p>Available to sell the Delivery Parcel and receive cash instead.</p> <p>Please refer to Clause 4.4 of Section 4 "Terms of the Deferred Purchase Agreement" in the Master IM.</p>
<b>Key Risks</b>	<p>Key risks include:</p> <ul style="list-style-type: none"> <li>• Risk of 100% loss of the Total Investment Cost. No Performance Coupon will be payable if the performance of the Reference Asset adjusted for currency movements over the Investment Term on the Maturity Date is not positive.</li> <li>• Your return (in the form of the Performance Coupon) is affected by the performance of the Reference Asset.</li> <li>• Currency risk. Changes in the AUD/USD exchange rate will have an impact on any potential Performance Coupon.</li> <li>• Investors must pay the Prepaid Interest to be entitled to receive any potential Performance Coupon. If Prepaid Interest is not paid on the relevant due date, Investors Units will be terminated, they will not be entitled to any returns or any Performance Coupon and will have no exposure to the Units.</li> <li>• There is no guarantee that the Units will generate returns in excess of the Prepaid Interest and any Fees during the Investment Term. Additionally, in the event of an Investor requested Issuer Buy-Back, Early Maturity Event, you will not receive a refund of your Prepaid Interest or any Fees nor will you be entitled to any Performance Coupon. Instead, you will receive the Buy-Back Price or Early Maturity Value.</li> <li>• Gains (and losses) may be magnified by the use of leverage.</li> <li>• Investors are subject to counterparty credit risk with respect to the Issuer and the Hedge Counterparty; and</li> <li>• the Units may mature early following an Early Maturity Event, including an Adjustment Event, Market Disruption Event or if the Issuer accepts your request for an Issuer Buy-Back.</li> </ul> <p>Please refer to Section 2 "Risks" of the Master IM for more information.</p>



<b>Taxation</b>	<p>Australian Tax Office Product Ruling PR 2024/6 has been issued in relation to the Master IM and confirms certain aspects of the tax treatment of an investment under this Term Sheet IM. A copy of the full product ruling is available to investors on request.</p> <p>The product ruling is only a ruling on the application of taxation law and is only binding on the Australian Taxation Office if the scheme is implemented in the specific manner outlined in the product ruling.</p> <p><b>The Commissioner of Taxation (Commissioner) does not sanction, endorse or guarantee this product. Further, the Commissioner gives no assurance that the product is commercially viable, that charges are reasonable, appropriate or represent industry norms, or that projected returns will be achieved or are reasonably based.</b></p> <p>Potential participants must form their own view about the commercial and financial viability of the product. The Commissioner recommends you consult an independent financial (or other) adviser before deciding to invest.</p>
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### 3. Payoff Examples

This page explains how the potential Performance Coupon is calculated. These examples are hypothetical only and are not forecasts or predictions of Unit returns. The actual returns may be significantly different from what is shown in these examples.

These examples may help Investors decide if the Units are a suitable investment. No content in this section or elsewhere in the Term Sheet IM or Master IM is investment advice and Investors should speak to a professional adviser before investing.

Units may entitle Investors to receive a Performance Coupon at the end of the Investment Term depending on the performance of the Reference Asset. The examples below demonstrate how the Performance Coupon is calculated, and what Investors will receive at Maturity, depending on whether the performance of the Reference Asset over the life of the investment has been negative, positive, or neutral.

#### Rounding

All calculations made by the Issuer for the purposes of these worked examples will be made to not fewer than two decimal places. Other than as provided in these examples, rounding of numbers will not occur until the final calculation of a relevant amount or number at which time the Investor's entitlements will be aggregated and that aggregate will be rounded so that all money amounts are rounded down to the nearest whole cent and all numbers of Delivery Assets are rounded down to the nearest whole number.

#### Assumptions

The below examples assume that Investors decide to invest in 100,000 Units with an Issue Price of A\$1.00, resulting in an Investment Amount and Loan Amount of A\$100,000. The below examples also assume that there are no Early Maturity Events, Issuer Buy-Backs, Adjustment Events or Market Disruption Events.

#### Coupon Calculation

The potential Performance Coupon is calculated with reference to the Reference Asset on Maturity Date.

The following examples show how the net gain or loss (that is, the value of any potential Performance Coupon, less the Total Investment Cost) would be calculated, based on the assumed Reference Asset performance at Maturity.

These examples do not factor in any potential changes in the AUD/USD exchange rate during the investment term. If the AUD weakens against the USD during the investment term, this will increase the Net Gain, if the AUD strengthens against the USD during the investment term, this will decrease the Net Gain.

Outcome	Investment Amount	Total Investment Cost	Reference Asset Performance	Performance Coupon	Net Gain/Loss	Return on Total Investment Cost
1	\$100,000	\$10,600	0%	\$0	(\$10,600)	-100%
2	\$100,000	\$10,600	5%	\$5,000	(\$5,600)	-52%
3	\$100,000	\$10,600	10%	\$10,000	(\$600)	-6%
4	\$100,000	\$10,600	15%	\$15,000	\$4,400	41%
5	\$100,000	\$10,600	20%	\$20,000	\$9,400	88%
6	\$100,000	\$10,600	25%	\$25,000	\$14,400	135%
7	\$100,000	\$10,600	30%	\$30,000	\$19,400	280%
8	\$100,000	\$10,600	35%	\$35,000	\$24,400	330%

## Applications and issue of Units

Applications may be accepted or rejected at the discretion of the Issuer. Units will be issued within one month upon receipt of application monies from an Investor. The Unit's economic exposure to the Reference Asset will begin on the Commencement Date. If a Unit is issued prior to the Commencement Date, it will have no economic exposure until the Commencement Date.

The Units will only be issued at the discretion of the Issuer, and applications may be accepted or rejected at the discretion of the Issuer. Without limiting its discretion, the Issuer may choose not to proceed with the issue of the Units for a Series and terminate the product for those Units already issued for any reason whatsoever, including (without limitation) if there is a significant change in the Issuer's cost of hedging between the date of this IM and the Commencement Date. Where the Issuer has not received the Prepaid Interest and Fees (if any) in respect of a Unit(s) from the Investor by the Application Payment Date, the Issuer will cancel the Units relating to the unpaid amounts and will arrange for the Investors name to be removed from the register of Unitholders.

If a decision is made for any reason not to issue, or not to proceed with the issue of the Units, the Issuer will return the Prepaid Interest, Fees (if any) to applicants (without interest) within 10 Business Days of the scheduled Commencement Date and any Units already issued will be terminated.

The Units may mature early in the case of an Early Maturity Event or Issuer Buy-Back, and the Maturity Date may be extended in the case of a Market Disruption Event.

#### **4. Master IM**

Investors must have read and understood the Master IM prior to applying for Units.

To obtain a copy of the Master IM, please refer to [www.anadara.com.au](http://www.anadara.com.au).

**All Application Forms and Correspondence to:**

Anadara Specialist Investments Pty Ltd  
Tower 1 – International Towers Level 35  
100 Barangaroo Avenue, Barangaroo NSW 2000

Email: [invest@anadara.com.au](mailto:invest@anadara.com.au)

**For more information:**

**1300 509 924**

<https://anadara.com.au>