

Dear Investor

Your investment in the Discovery Capital 200+ (June 2018 tranche) has matured

You invested in the Discovery Capital 200+ (June 2018 tranche), which is a five-year product that provided exposure to the performance of the European and US equity markets.

The global portfolio comprised 70% Euro Stoxx 50 and 30% S&P 500 price indices. If the global portfolio is flat or positive at the end of the five-year period, the Discovery Capital 200+ provides a 100% gross return before the effect of any administration fees, financial adviser fees, and taxes, where applicable.

How your investment performed

The five-year period ended on 1 June 2023. The cumulative return of the global portfolio was positive 32.6% at this date. As such, you will get a 100% gross return on your initial investment before the effect of fees and taxes.

We would like to answer some important questions you might have:

Tax payable on the proceeds of the Discovery Capital 200+

All proceeds are treated as capital gains for tax purposes. Tax is deducted within the Endowment and will be paid on your behalf by Discovery Life.

Benefits of staying invested in your current Endowment

If you withdraw your investment and reinvest in a new Discovery Endowment, you may incur additional costs and possible investment restrictions. Capital gains tax will also be recovered from your policy on withdrawal. Staying in your investment will avoid these costs and give you access to the wide range of funds available on our platform. There is a range of funds you can switch into. To view the list of funds, visit our website at www.discovery.co.za and click on the **INVESTMENTS** tab at the top of the screen. Select **Interactive Fund fact sheets**. You will land on the **Our investment opportunities page**; scroll down to **Choose which funds to invest your money into**.

What happens to your investment now?

In the Discovery Capital 200+ June 2018 tranche fact sheet, we stated that the proceeds of this tranche will be switched into a new tranche of the Discovery Capital 200+ if one is available. If a new tranche was not available, the proceeds would be switched into the Discovery Money Market Fund.

Because there is no new Discovery Capital 200+ tranche, we began the process to switch the proceeds of your investment into the Discovery Money Market Fund. This process will take up to 12 business days to complete from 1 June 2023. The investment will not earn interest while its proceeds are in transit. Once this is done, you can switch your proceeds into any fund of your choice available on the Discovery platform.

A new structured note is available

The Discovery Capital 200|300+ is our latest structured note and is available until 19 June 2023 or until capacity runs out. For more details click [here](#). If you want to invest in this fund, you will need to complete a switch form. Please note that switches into the new structured note from the Discovery Capital 200+ June 2018 tranche will not qualify for the upfront boost. If you would like to qualify for the boost, a new endowment policy will need to be started.

You can read the full terms and conditions of the Discovery Capital 200+

Please log in to the Discovery website (www.discovery.co.za) and refer to the fund fact sheet for the full terms and conditions of the Discovery Capital 200+ June 2018 tranche. Once you are logged in, click on the **INVESTMENTS** tab at the top of the screen. Select **Interactive Fund fact sheets**. You will land on the **Our investment opportunities page**, scroll down and click on **DISCOVERY FUNDS**. Search for the fund fact sheet by entering the name **Discovery Capital 200+ June 2018 tranche**. Alternatively, you can select **Discovery Funds** under the **Fund type** drop-down menu.

Contact us

For more information, please contact your financial adviser or call us on 0860 67 57 77. You can also email us at invest_support@discovery.co.za

Regards

Discovery Invest

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This letter is meant as information and must not be taken as financial advice. For tailored financial advice, please contact your financial adviser.

This is not a unit trust; therefore, this fund is not regulated by the Collective Investment Schemes Control Act. For the full index disclaimers, please refer to the relevant product fact file.

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