



ARC INVESTMENTS

Unaudited Interim Results

for the six-month period ended
31 December 2023

Incorporated in the Republic of Mauritius

Company number: C148430

JSE share code: AIL

A2X share code: AILJ

ISIN code: MU0553S00000

LEI: 378900F086B090C6FB94

The listed Interim Financial Statements were prepared for
the purposes of the JSE Listings Requirements

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The reports and statements set out below comprise the condensed Unaudited Financial Statements of African Rainbow Capital Investments Limited (ARC Investments or the Company) for the six-month period ended 31 December 2023 as presented to the shareholders. They were prepared under the supervision of Karen Bodenstein, Chief Financial Officer, B Compt (Accounting Science).

These Unaudited Interim Financial Statements have been prepared in compliance with the applicable requirements of the Mauritius Companies Act 2001 and the Johannesburg Stock Exchange (JSE) Listing Requirements.

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KEY HIGHLIGHTS

For the six-months ended 31 December 2023

PORTFOLIO HIGHLIGHTS



Significant advances in several early-stage assets leading to a maturing portfolio

- Linebooker and TymeBank reached a break-even point in the period.



Considerable synergies realisation through collaboration within the financial services ecosystem

- The integration of the Sanlam 3rd Party AM and Absa AM resulted in substantial scale benefits and cost savings.
- Sanlam and Alexforbes transactions ≈ substantial reduction of cost per member, improved client experience and release of capital.
- Sanlam and Capital Legacy transactions leveraging off the strong balance sheet and distribution capacity.
- Successful integration of Retail Capital into TymeBank.
- Retail Capital launched with GOtyme in the Philippines.



Portfolio pivot towards high-growth technological innovation

- Investments in future focus areas contributing more than half of the portfolio.
- TymeBank – 37% year-on-year growth to 8.5 million customers and increased activity per customer.
- Tyme Global – Grew customer base to 2 million within one year of launching GOtyme in the Philippines.

FINANCIAL PERFORMANCE



Intrinsic net asset value (INAV) increased by 4.6% to R16 028 million.

(30 June 2023: R15 328 million)



INAV per share increased by 12.9% from R9.88 at 31 December 2022 to R11.15 at 31 December 2023



INAV per share decreased by 2.3% from R11.41 at 30 June 2023 to R11.15 at 31 December 2023



Successful capital raise of R750 million through a rights issue



Debt in the Fund increased by 21% to R1 775 million.

(30 June 2023: R1 473 million)



Major additional investments:

- Additional investment in Rain and Tyme Group of R81 million and R76 million respectively.
- Additional capital advanced to Kropz Plc amounting to R379 million.

COMMENTARY

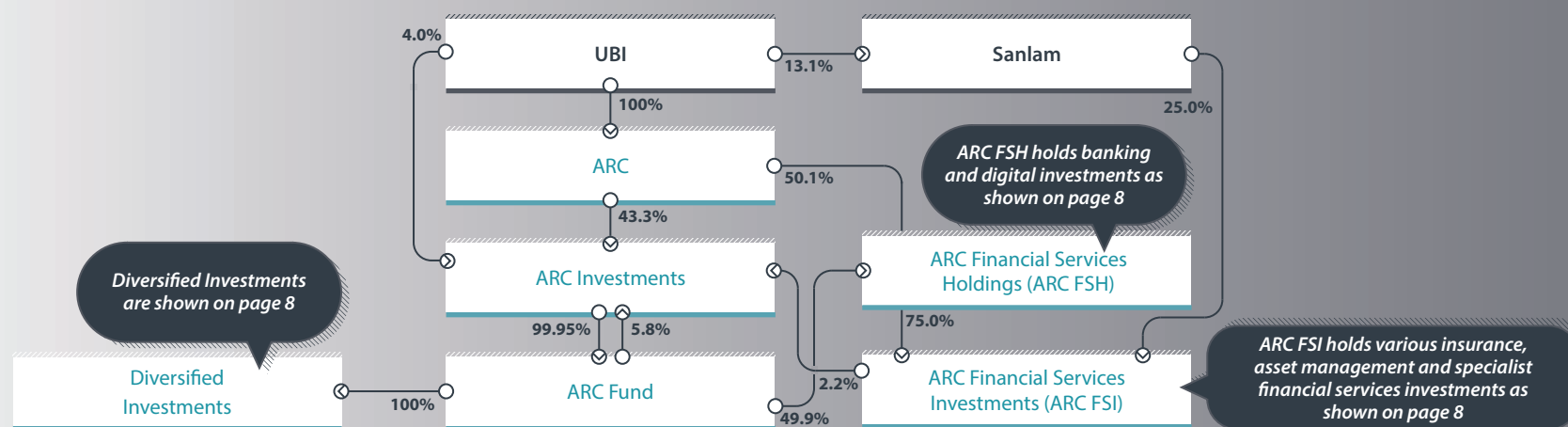
For the six-months ended 31 December 2023

NATURE OF BUSINESS

ARC Investments is incorporated in the Republic of Mauritius and holds a Global Business Licence under the Mauritian Financial Services Act of 2007. It is regulated by the Mauritian Financial Services Commission and is primary listed on the JSE Limited with a secondary listing on A2X. ARC Investments is an investment holding company and focuses on being a broad-based, Black-controlled investment vehicle of significant scale, offering shareholders the opportunity to indirectly invest in a diversified portfolio of largely unlisted investments.

Group structure

ARC Investments is 43.25% owned by African Rainbow Capital Proprietary Limited (ARC), which in turn is 100% owned by Ubuntu-Botho Investments Proprietary Limited (UBI). UBI effectively owns 54.36% of ARC Investments. ARC Investments is an investment holding entity, that holds 99.95% of the ARC Fund, which in turn makes use of the ARC Fund to invest in various investee entities. These investments are managed by UBI GP as the General Partner of the ARC Fund and earns a management fee. The board of UBI GP consists of seasoned and experienced individuals of whom further details will appear in the integrated report.



The ARC Fund's investment strategy

The ARC Fund's strategic focus is to grow the building blocks in Business Process Outsourcing, Telecoms, Agri and Banking & Fintech sectors through bolt-on acquisition and to work with investment partners to deliver synergies amongst relevant portfolio companies. The General Partner will continue to implement the portfolio rationalisation plans that were identified. Investments that no longer align with the longer-term ARC Fund investment strategy will be exited in the short to medium term.

The ARC Fund's investment portfolio includes a combination of investments from pre-break-even to established businesses. Pre-break-even point businesses currently contribute 20% as compared to 33% at 30 June 2023 and 31% at 31 December 2022 of the ARC Fund's Intrinsic Portfolio Value (IPV) and these include businesses such as Kropz, and Tyme Global. Linebooker and Tyme Bank reached break-even points by August 2023 and December 2023 respectively. The ARC Fund invests with a medium-to long-term view in early-stage businesses that it believes will make a significant impact relative to incumbent market players.

Operating environment

Multiple unfavourable factors had an impact on the investment portfolio in the six-months under review. These included a contracting economy, strained trading conditions, interrupted electricity supply, backlogs at the ports, coupled with increasing interest rates, high inflation and volatile exchange rates. All these factors put pressure on consumers and hampered some of our entities' growth. The diverse investment portfolio has, however, shown remarkable resilience against the persisting challenging macroeconomic environment.

Going concern

The Financial Statements have been prepared on a going-concern basis. The assets of the Company, fairly valued, exceed its liabilities. The directors are of the opinion that the Company will continue as a going concern based on forecasts and available cash and borrowing resources.

COMMENTARY

For the six-months ended 31 December 2023

Measurements of financial performance

In accordance with paragraph 3.4(b)(vi) of the JSE Listings Requirements, the Company confirms the use of net asset value per share and intrinsic net asset value for trading statement purposes. This is considered an appropriate measure given the nature of the business conducted by the Company and its core strategic objective, which is to grow net asset value per share.

Performance highlights

ARC Fund acquired investments amounting to R 632 million, as part of its strategy to support the existing investments where there are expansion plans and to grow financial services. These transactions included additional investments in Rain, Tyme Global and Kropz.

The ARC Fund's net fair value gains amounted to R784 million. The main driver in these gains is an increase from the Financial Services portfolio which was driven by a better performance in the Financial Services investments as well as the impact of TymeBank reaching break-even point in December 2023. The main contributors from the Diversified Investment portfolio is the growth in the value of Rain. Rain's investment gains were largely a result of an unwinding of the discount rate coupled with positive take-up of its rainOne product performance. Linebooker also reached break-even in August 2023. These gains were largely offset by the delays and operational challenges faced by Kropz during the same period.

The collective efforts of ARCI management and investment partners resulted in excellent progress in early-stage investments in the current year. Ongoing work with investment partners continues to deliver synergy benefits, which will create additional value in underlying businesses.

A variety of initiatives have been implemented to narrow the gap between intrinsic and market values. These include:

- Efforts to streamline the portfolio and position it in future-focused areas. The top 12 investments now comprise 89% of the value of the portfolio.
- Portfolio valuations have been validated through the majority of unlisted disposals at values that are above the last reported fair values over the years.
- The unlisted portion of the ARC Fund (including investments owned by the ARC Fund through ARC FSH) that is only accessible through ARC Investments, has grown to 90% of the portfolio.
- Major investments achieving break-even: Rain, Linebooker and TymeBank.

The Company's intrinsic investment value in the ARC Fund increased by 4.6% from R15 328 million at 30 June 2023 to R16 028 million at 31 December 2023. The R700 million increase in INAV comprises R784 million of net fair value gains, net acquisitions of R585 million, a cash balance decrease of R267 million, a debt increase of R302 million and a R100 million increase in net other liabilities. During the period under review, the Company's effective share of the invested assets (or the IPV) increased by 8.37%, from R16 363 million at 30 June 2023 to R17 732 million at 31 December 2023. The IFRS Net Asset Value (NAV) per share decreased by 1.8% from R11.44 at 30 June 2023 to R11.23 at 31 December 2023 as a result of the increase in the number of shares. The increase in shares was driven by the rights issue and the performance hurdle being met in the prior year.

During December 2023, ARCI raised R750 million which resulted in 150 million shares being issued. The cash was transferred by ARCI to the ARC Fund after the reporting period.

Performance participation hurdle

The performance participation hurdle has not been met in the current reporting period. Consequently, no performance participation provision amount has been recognised in terms of IFRS 2.

Performance analysis

For the six-month period ended 31 December 2023

Investment in ARC Fund	Percentage change	Net Asset Value 30 June 23 R million	Net Investment R million	Net Increase/ (Decrease) in Net Asset Value R million	Net Asset Value 31 December 23 R million
Intrinsic portfolio value	8.37%	16 363	585	784	17 732
Cash in the ARC Fund		500	(300)	33	233*
Debt in the ARC Fund		(1 473)	(209)	(93)	(1 775)
Other net assets/(liabilities) in the ARC Fund		(62)	(76)	(24)	(162)
UBI GP fee payable		(61)	–	11	(50)
Other assets (liabilities) in the ARC Fund		(1)	(76)	(35)	(112)
Intrinsic Investment in the ARC Fund at FVTPL	4.57%	15 328	–	700	16 028

* The amount does not include the proceeds of the capital raise as the capital raise proceeds were transferred to the ARC Fund after the reporting period. Refer to the Statement of Financial Position on page 13.

For six-month period ended 31 December 2022

Investment in ARC Fund	Percentage change	Net Asset Value 30 June 22 R million	Net Investment R million	Net Increase/ (Decrease) in Net Asset Value R million	Net Asset Value 31 December 22 R million
Intrinsic portfolio value	(0.02%)	13 659	(36)	33	13 656
Cash in the ARC Fund		669	399	(17)	1 051
Debt in the ARC Fund		(975)	(363)	(58)	(1 396)
Other net assets/(liabilities) in the ARC Fund		(111)	–	72	(39)
UBI GP fee payable		(110)	–	73	(37)
Other assets (liabilities) in the ARC Fund		(1)	–	(1)	(2)
Intrinsic Investment in the ARC Fund at FVTPL	0.23%	13 242	–	30	13 272

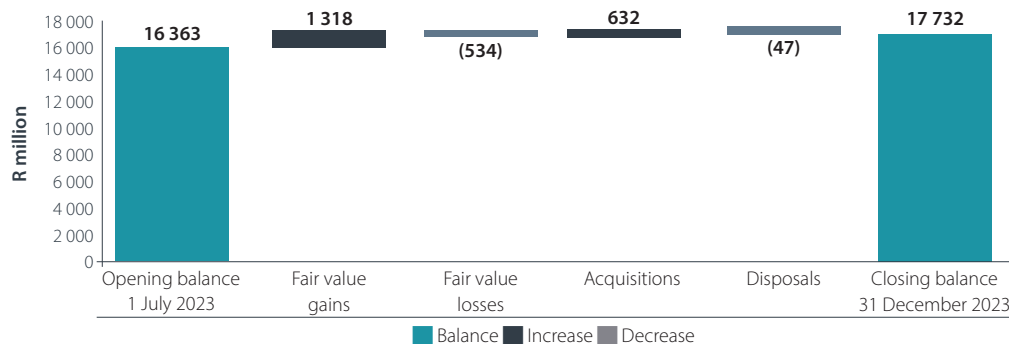
* FVTPL: Fair value through profit or loss

COMMENTARY

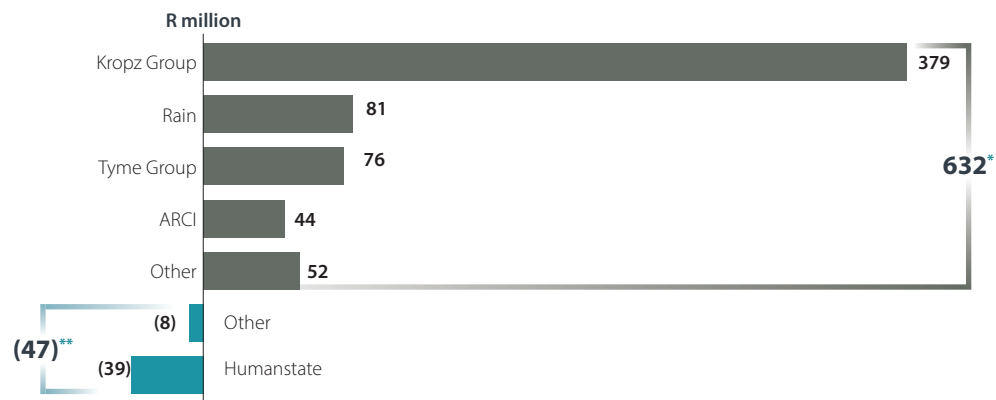
For the six-months ended 31 December 2023

During the period under review, ARC Investments, through the ARC Fund, effectively made acquisitions and disposals amounting to R632 million and R47 million respectively.

Intrinsic portfolio value movement for the six-month period ended 31 December 2023



ARC Investments' effective additions and disposals for the six-month period ended 31 December 2023



* Effective additions.

** Effective disposals.

Significant acquisitions and disposals in the Diversified Investments Portfolio (through the ARC Fund)

Kropz Group

The ARC Fund invested an additional R379 million in the Kropz Group during the six-months period. The capital was largely used to fund an operational cash flow shortfall at Elandsfontein resulting from a delay in the ramp-up of the Elandsfontein phosphate processing plant. At 31 December 2023, R52.5 million remained undrawn under available facilities.

Rain

The ARC Fund acquired R81 million of additional shares in Rain during the six-month period to increase the ARC Fund's shareholding in Rain to 20.75%.

Tyme Group

During the period under review ARC Fund invested R76 million in Tyme Global.

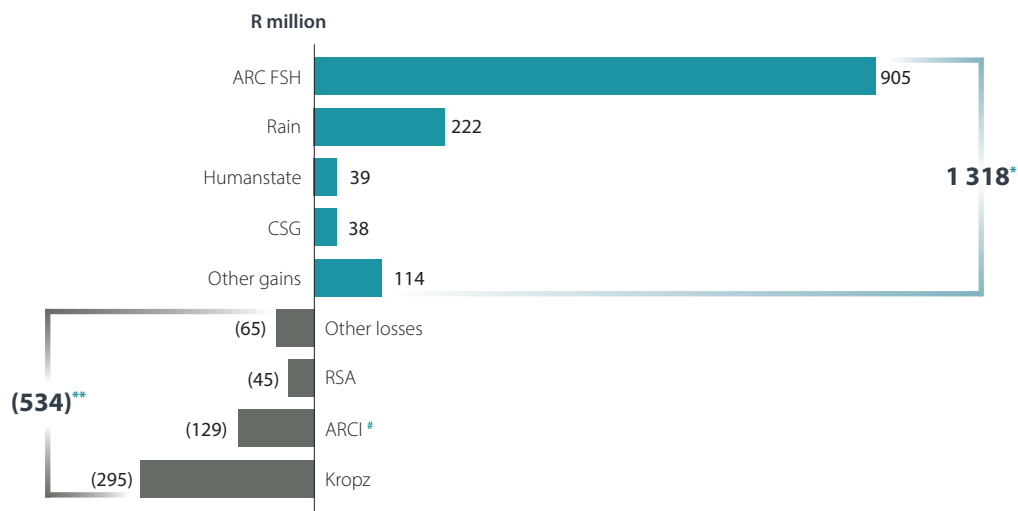
ARCI Rights issue

During the six months under review, ARCI raised R750 million via the rights issue. ARC Fund being the holder of shares in ARCI followed its rights as well, resulting in R44 million in investments.

Performance review for the six-months ended 31 December 2023

The graph below indicates the fair value gains and losses recognised during the period under review. Due to the diverse nature of the portfolio, the negative performance of the assets in some sectors was offset by the positive performance in other sectors, resulting in a pleasing increase in the value of the INAV over the period.

Fair value gains and losses for the six-month period ended 31 December 2023



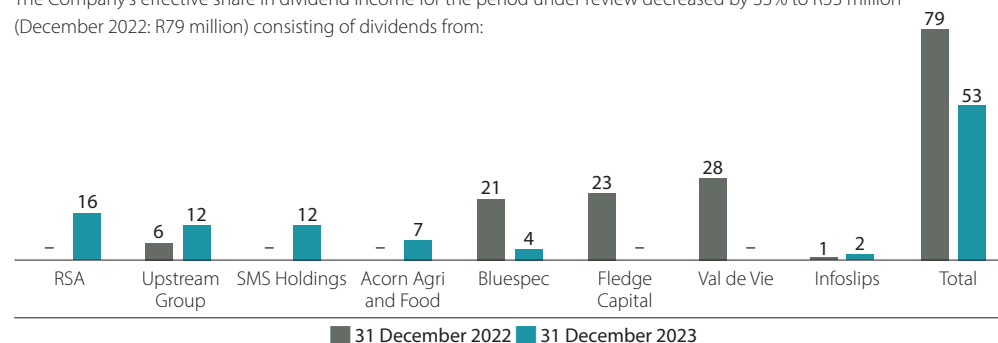
Denotes a listed entity classified as level 1 fair value hierarchy.

* Fair value gains.

** Fair value losses.

Dividend income

The Company's effective share in dividend income for the period under review decreased by 33% to R53 million (December 2022: R79 million) consisting of dividends from:



■ 31 December 2022 ■ 31 December 2023

COMMENTARY

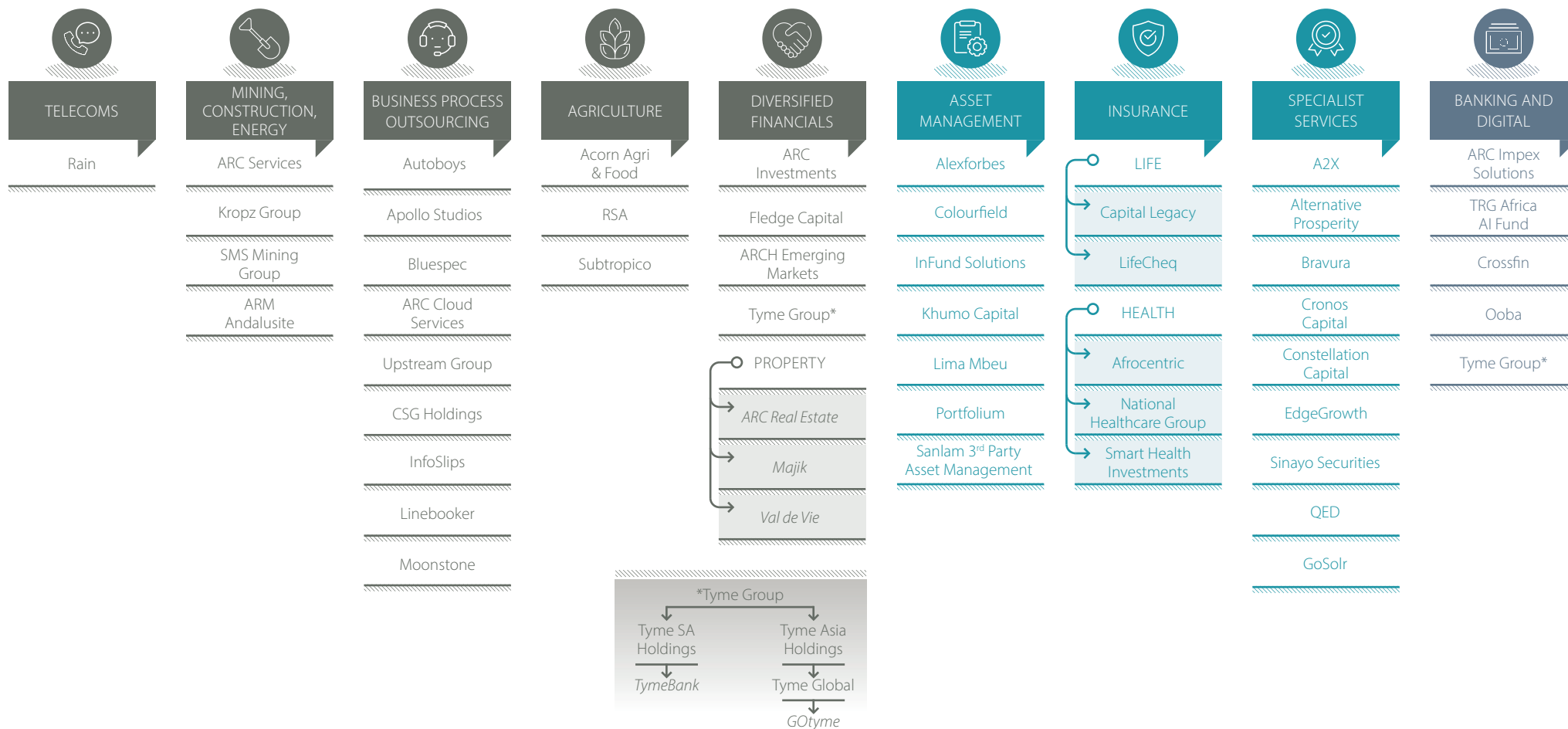
For the six-months ended 31 December 2023

A more detailed schedule of all the assets within the ARC Fund portfolio, indicating investment and disposal activities, as well as their performance is available on the Company's website at www.arci.mu.

OUR PORTFOLIO

DIVERSIFIED INVESTMENTS

FINANCIAL SERVICES



COMMENTARY

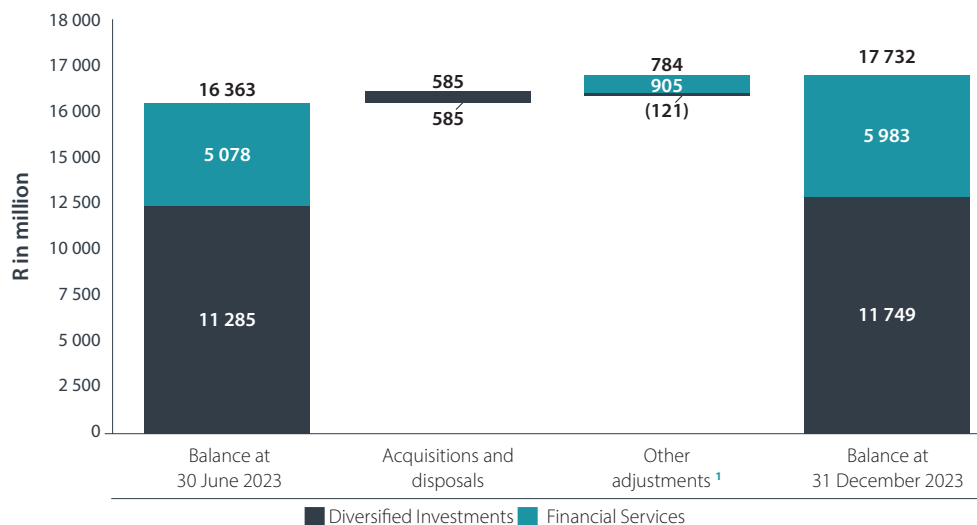
For the six-months ended 31 December 2023

Growth in IPV

PORTFOLIO DESCRIPTION AND REVIEW

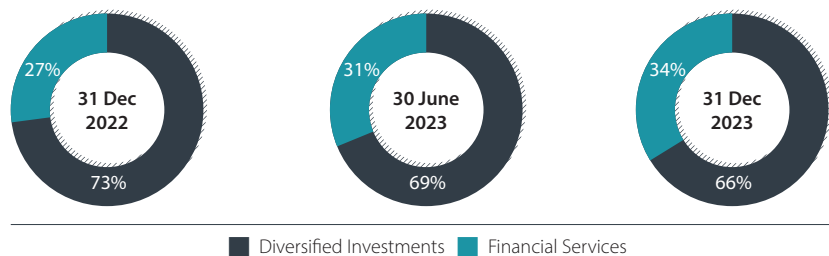
Below is a summarised view of the performance of the significant portfolio assets for Diversified Investments and Financial Services.

Portfolio movement per sector for the six-month period ended 31 December 2023



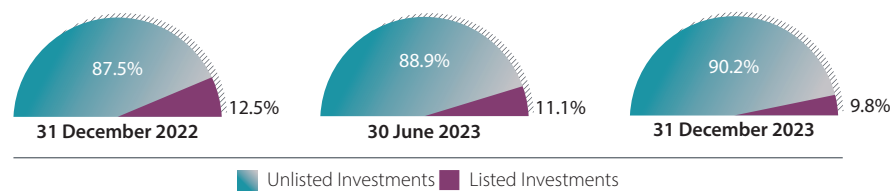
¹ Fair value net of expected tax, cash flows, interest, forex movements and disposal gain/loss

Investment segments



Listed and unlisted investments split

on a look through basis across the segments



Diversified Investments Portfolio – 66.3% of Fund Value (30 June 2023: 69.0%)

The Company's effective investment in the IPV of the Diversified Investments portfolio increased by 4.1% from R11 285 million at 30 June 2023 to R11 749 million at 31 December 2023.

R million	30 June 2023	31 December 2023	% of Fund value (31 December 2023)	% Increase/(% Decrease)
Telecommunications	4 516	4 819	27.2%	6.7% ▲
Diversified Financial Investments	2 239	2 259	12.7%	0.9% ▲
Mining, Construction and Energy	2 050	2 139	12.1%	4.3% ▲
Business Process Outsourcing	1 691	1 738	9.8%	2.8% ▲
Agriculture	789	794	4.5%	0.6% ▲
Total diversified Investments	11 285	11 749	66.3%	4.1% ▲

TELECOMMUNICATIONS – 27.2% of Fund Value (30 June 2023: 27.6%)

The Company has one investment in this portfolio, Rain.

Rain – 27.2% of Fund Value (30 June 2023: 27.6%)

Rain is well-positioned as a low-cost data and mobile service provider. Rain established itself as a reliable brand in South Africa and continues to grow its market share. The value of the Company's effective interest in Rain has increased by R303 million (additions of R81 million and net revaluations of R222 million) to R4 819 million in the period under review. The increase in valuation can be attributed to the business progressing past the significant net cash outflow and the subsequent launch of rainOne. The performance of rainOne in the current period has been pleasing and customer growth is encouraging.

Rain is expecting to achieve an EBITDA > R2 000 million for the year ending February 2024 after taking into account IFRS 16 adjustments, as is industry practice. Rain continues its ambitious rollout and marketing strategy to cover more towns across the country and densify coverage in all major metros.

Diversified Financial Investments – 12.7% of Fund Value (30 June 2023: 13.7%)

The Company's effective investment in Diversified Financial Investments increased by R20 million from R2 239 million at 30 June 2023 to R2 259 million at 31 December 2023. The increase is attributable to additional investments of R137 million and fair value reductions of R117 million.

Fledge Capital Investments - 3.3% of Fund Value (30 June 2023: 3.6%)

The Company's effective investment in Fledge Capital Investments remained consistent at R584 million at 31 December 2023. Fledge Capital is currently in an acquisition phase, following the disposal of its remaining investment in We Buy Cars. Recent acquisitions include USN, Protea Capital Management, Egdelf European Holdings, SMS Mining and Highveld Solar, a JV to develop a solar plant and generate electricity of up to 150MWp for an Industrial Park. Fledge Capital and ARC have continued its fruitful partnership wherein ARC holds a 51% shareholding in an investment vehicle with Fledge Capital as a 49% shareholder.

COMMENTARY

For the six-months ended 31 December 2023

ARC Investments – 2.4% of Fund Value (30 June 2023: 3.1%)

During the period under review, the value of the ARC Fund's effective investment in ARC Investments reduced from R508 million at 30 June 2023 to R423 million at 31 December 2023. The decrease is mainly due to a reduction in the listed share price of ARC Investments over the six-month period under review.

During December 2023, ARCI raised R750 million through the right issue, that resulted in an additional 150 million shares being issued to the shareholders who followed their rights.

ARCH Emerging Markets - 3.6% of Fund Value (30 June 2023: 3.8%)

The Company's effective investment in ARCH Fund of Funds increased from R620 million at 30 June 2023 to R643 million at 31 December 2023. ARCH Fund of Funds currently has three active funds: the Africa Renewable Energy Fund (ARPF), the Cold Chain Solutions East Africa Fund ("CCSEAF") and a Sustainable Resources Fund (SRF).

CCSEAF completed its first 17,100 sqm facility (15 000 pallets) in Nairobi at the end of June 2023 and customer acquisition is gaining good traction. The land acquisitions for the Mombasa and Rwanda facilities were finalised, and planning has commenced for the construction of the two next 8 000 sqm facilities in these locations.

The ARPF achieved a final close in July 2021 at USD 133 million, with 80% of the capital deployed by the last quarter of 2023. The capital has been deployed in six investments with only one project in the development stage. The rest of the investments are in operating companies or companies that are already constructing the projects. The team will start fundraising for the second fund, ARPF-2, in the first quarter of 2024 based on the interest and the performance of the current projects.

The SRF was launched in October 2021 with anchor investors providing the first USD25 million commitments. A further USD5 million was committed by a US investor in third quarter 2023. This is a new kind of fund created to capitalise on the new metals super cycle catalysed by the global transition to a greener economy. The fund made its first investment in a vertically integrated manufacturer of high-value graphite products in Tanzania. The targeted fund size is USD 250-300 million.

Tyme Group – 2.2% of Fund Value (30 June 2023: 1.9%)

The Company's effective interest that is directly owned by the ARC Fund in Tyme Group increased from R310 million at 30 June 2023 to R395 million at 31 December 2023.

Further details of Tyme Group performance are under Financial Services portfolio section. Tyme Group comprises of TymeBank and Tyme Asia Holdings. In the current reporting period the two investments were grouped together and reported as a single investment to better align with how the investments are managed and how performance are measured.

Property – 1.2% of Fund Value (30 June 2023: 1.3%)

The Company's effective interest in Property investments decreased from R218 million at 30 June 2023 to R214 million at 31 December 2023.

The continued favourable demand for Val de Vie and Val de Vie Evergreen's properties has prompted Val de Vie to expand its development plans. This has also driven an increase in expected development profits and resulted in a valuation uplift at 31 December 2023.

Majik Property Holdings Limited ("Majik") holds an investment in Regional REIT Ltd, a company listed on the London Stock Exchange. Decreased occupancy levels coupled with downward pressure on rental rates, led to poor share price performance and culminated in an impairment of ARC Fund's investment and loan in Majik.

Mining, Construction and Energy - 12.1% of Fund Value (30 June 2023: 12.5%)

The Company's effective investment in Mining, Construction and Energy increased by R89 million from R2 050 million at 30 June 2023 to R2 139 million at 31 December 2023.

Kropz Group – 11.3% of Fund Value (30 June 2023: 11.7%)

Kropz owns two phosphate assets, Elandsfontein in South Africa and Cominco in the Republic of Congo. The fundamentals of the fertilizer and phosphate markets remain robust, driven by the need to feed a growing global population from limited agricultural resources. The value of Elandsfontein and Cominco at 31 December 2023 was determined using a discounted cash flow model and amounted to R2 003 million (30 June 2023: R1 919 million).

Elandsfontein project update

The ramp-up of mining and processing operations at Elandsfontein has progressed slower than anticipated. Elandsfontein mine only made 103,500 tonnes of sales over the 6-month period ending 31 December 2023, missing production targets. Performance remains inconsistent. While Elandsfontein has proven it can produce saleable phosphate rock, performance to date has been inconsistent. Elandsfontein's ore body continues to pose a challenge, both in terms of production and mining. Although management continues to drive solutions and efficiencies, the delays have harmed the company's cash flow position. The ARC Fund impaired the investment by an additional R295 million in the period.

Elandsfontein is in the process of installing additional modifications to increase throughput and hopefully achieve break-even during 2024. Investigations are proceeding on potentially selling the slimes/Nanophos material at the mine, both as a direct application fertilizer (through palettization), and as partially acidulated organic Nanophos. Initial test work has commenced on the Nanophos trials and results to date have been positive.

The ARC Fund continued its support of the project and injected an additional R379 million of capital into Kropz over the period. Much of this capital was used to repay debt owed to external parties. At 31 December 2023, the ARC Fund's remaining undrawn committed capital totaled R52 million. The full balance has since been drawn after period-end.

Cominco project update

A potential project is being investigated to prove the concept and mitigate country risk. ARC and Kropz are currently in the market looking for potential partners for the Cominco project.

Other mining assets – 0.8% of Fund Value (30 June 2023: 0.8%)

The Company's effective investment in ARC Services increased from R81 million at 30 June 2023 to R86 million at 31 December 2023. ARC Services is involved in the supply of bulk commodities in the mining, construction, infrastructure, and engineering space. These investments are performing well, are well placed to exploit the available opportunities and are being supported and incubated for future growth.

The ARC Fund together with Fledge Capital and other limited partners (referred to as the "ARC Fledge Fund"), acquired a 42% stake in SMS Mining Holdings in 2022. The investment is held at cost and remained unchanged at 31 December 2023. SMS offers a diverse range of specialised mining services such as primary and secondary support, portal development and support, silo rehabilitation, mining and development, underground construction, opencast mining, grout plants, crushing and screening, logistics and material handling. The SMS group is in a good position to add value to the ARC portfolio and results for year-to-date look promising. Based on the financial performance of the SMS investment, we expect to recover the full investment amount over the next 12-month period through dividends.

COMMENTARY

For the six-months ended 31 December 2023

Business Process Outsourcing (BPO) – 9.8% of Fund Value (30 June 2023: 10.3%)

The Company's effective interest in Business Process Outsourcing investments increased from R1 691 million at 30 June 2023 to R1 738 million at 31 December 2023.

Bluespec – 2.9% of Fund Value (30 June 2023: 3.1%)

The Company's effective investment in Bluespec remained unchanged at R515 million at 31 December 2023. The Bluespec group is on track to grow across most key value drivers, increasing volumes, new clients, impressive growth in assessment volumes, and expanding its national footprint while maintaining a healthy balance sheet and dividend levels.

The Bluespec Group, through its subsidiary Weelee, opened its first wholesale mega vehicle warehouse which is expected to be a catalyst for retail growth for Weelee. Bluespec also continues to onboard more insurers and introduce new innovative products and value offerings to the insurance space. Insurance is a key distribution channel to Bluespec spare parts and repairs divisions.

Linebooker -2.0% of Fund Value (30 June 2023: 2.2%)

The Company's effective interest in Linebooker increased from R355 million at 30 June 2023 to R360 million at 31 December 2023. Linebooker is South Africa's largest online freight platform. Linebooker has grown exponentially and is well-positioned as a low-cost service provider in tough economic conditions. The company achieved its first month of profitability in August 2023 – a significant milestone for a tech start-up company. Additional income streams are starting to gain traction and have the potential to become significant in their own right. Linebooker has also recently launched its new service offering to the bulk logistics sector.

Upstream Group – 1.6% of Fund Value (30 June 2023: 1.1%)

The Company's effective investment in Upstream increased from R276 million at 30 June 2023 to R283 million at 31 December 2023. Upstream is a uniquely positioned, technology-focused, debt review, rehabilitation, and recovery service provider. The higher level of unsecured credit lending and increasing interest rate environment, normally leads to more debt reviews and debt recoveries which translates into increased potential demand for services provided by the Upstream group of companies. Upstream performs a pivotal role in the wider debt review ecosystem on behalf of creditors. The Group has a balanced spread of clients to avoid client concentration risk across retail credit lenders and financial institutions.

Other BPO investments – 3.3% of Fund Value (30 June 2023: 4.8%)

The Company's effective interest in the other BPO investments increased from R546 million at 30 June 2023 to R580 million at 31 December 2023. Other major BPO investments include Moonstone, CSG, Apollo, Infoslips and Autoboy.

Agriculture - 4.5% of Fund Value (30 June 2023: 4.8%)

The Company's effective interest in the Agriculture investments increased from R789 million at 30 June 2023 to R794 million at 31 December 2023.

RSA – 2.0% of Fund Value (30 June 2023: 2.3%)

The Company's effective investment in RSA marginally reduced in value from R373 million at 30 June 2023 to R349 million at 31 December 2023. RSA is a horizontally integrated sales organisation which offers a unique value proposition to the suppliers of fresh produce in the agricultural sector across all distribution channels. RSA continued to deliver another strong performance for the first six months to December 2023, which was achieved under a complex trading environment, both for local markets and exports. The municipal market and port infrastructure remain a key challenge and a threat to both local and export operations. RSA's financial results were significantly ahead of budget, both from a revenue and EBITDA perspective. This follows the successful implementation of improving efficiencies at market operations and operations optimisations, and overall growth in market share which the company has managed to consistently grow over the past two years. The ARC Fund received dividends of R16 million during the period under review.

Acorn Agri and Food - 1.3% of Fund Value (30 June 2023: 1.3%)

The Company's effective investment in Acorn Agri and Food (AAF) marginally increased in value from R215 million at 30 June 2023 to R235 million at 31 December 2023. AAF is a vertically integrated agriculture and food group with investments in Lesotho Milling, Montagu snacks, ACG Fruit, Overberg Agri, Overberg Wealth and Risk Management, Overberg Meat, Boltfast, P & B Limeworks, Moov Fuel, Bachmus and Kyron Group. AAF's over-the-counter (OTC) share price remains muted and trading at a significant discount to its net asset value per share. Considering how thinly the AAF OTC shares trade, it was not deemed to be a reasonable indication of fair market value. The ARC Fund's investment in AAF was, therefore valued using a PE market multiple approach in line with the 30 June 2023 valuation.

AAF has maintained positive earnings momentum with portfolio operating profit before capital items increasing by 18% to R317 million for the six months ended 31 August 2023. The ARC Fund also received R8.2 million in dividends from AAF over the period under review.

Subtropico - 1.2% of Fund Value (30 June 2023: 1.0%)

Subtropico operates in the secondary market of the agriculture sector and has interests in entities mainly in the fresh-produce market agents, game, livestock auctions and the food packaging business. The Company's effective investment in Subtropico is valued at R210 million at 31 December 2023, which is slightly higher than the 30 June 2023 value of R201 million. Subtropico's revenue has steadily increased year on year. The major driver of the growth is the increase in fresh produce prices in South Africa coupled with an increase in livestock volume on auctions for the Vleissentraal business unit.

Financial Services Portfolio – 33.7% of Fund Value (30 June 2023: 31.0%)

The Company's effective interest in the gross IPV of the Financial Services portfolio increased by 14.8% from R5 738 million at 30 June 2023 to R6 588 million at 31 December 2023, as detailed in the table below. The net IPV of the Financial Services portfolio, taking into account ARC Investments' indirect share of the debt funding and other assets and liabilities in the structure, increased by 17.8% from R5 078 million at 30 June 2023 to R5 983 million at 31 December 2023. The increase in the net IPV resulted mainly from ARC Investments' share of the fair value gains in the Financial Services portfolio.

	30 June 2023	31 December 2023	% of Fund value (31 December 2023)	% Increase/(% Decrease)
R million				
Banking & Fintech	3 254	4 050	22.8%	24.5% ▲
Insurance and Asset Management	2 207	2 261	12.8%	2.4% ▲
Specialist Financial Services	277	277	1.6%	– ▲
Total Financial Services portfolio value	5 738	6 588	37.2%	9.1% ▲
Other Non-current liabilities	(762)	(765)	(4.3%)	0.4% ▲
Other net assets	102	160	0.8%	56.9% ▲
Total Company share of investment in ARC Financial Services portfolio	5 078	5 983	33.7%	17.8% ▲

COMMENTARY

For the six-months ended 31 December 2023

Banking and Fintech – 22.8 % of Fund Value (30 June 2023: 19.9%)

The Company's effective interest in the ARC FSH's investments in Banking and Fintech increased by 24.5% from R3 254 million at 30 June 2023 to R4 050 million at 31 December 2023, with Tyme Group as the key asset valued at R3 592 million.

Tyme Group- 20.3% of Fund Value (30 June 2023: 17.1%)

TymeBank

TymeBank remains a leading digital bank, as measured against international peers in terms of its sustained growth in onboarding customers. TymeBank has acquired more than 8.5 million customers, with increased activity per customer. The operational leverage as the Bank grows is clear, despite doubling Net Operating Income (NOI), the cost base has remained relatively stable year on year. This is evidence of the use of technology in unlocking growth and keeping costs low. Significant use is also made of data, analytics and AI tools across TymeBank. Between Pick n Pay, Boxer and TFG, Tyme has by far the largest cash-in and cash-out network in the country. TymeBank has seen steady growth in merchant credit advances to c.R1.8 billion at 31 December 2023, with credit performance within expectations. The Bank launched a fixed deposit product in April 2023 and has attracted deposits of R4.8 billion by 31 December 2023.

NOI tripled year-on-year, and TymeBank achieved breakeven in December 2023, however sustained profitability will only be achieved in the next few months. The intention is to now build further scale, grow the revenue line, and manage costs to reach sustained profitability. The valuation of TymeBank was adjusted to reflect the Series C capital raise concluded in December 2023 and the fact that the Bank has achieved break-even.

Tyme Global

Tyme Global is based in Singapore and represents the holding company through which the multi-country banks will be launched. The first such bank is TymeBank in South Africa followed by GoTyme in the Philippines which launched in November 2022 and achieved the 2 million customer milestone in December 2023. The Retail Capital Merchant Cash Advance product was launched in November 2023, to use its risk-measured credit models to leverage the growing deposit base within GoTyme Bank. GoTyme Bank is also pursuing the acquisition of a Philippines-based payroll lender so that it can access salaried employees and utilise its low-cost deposit base to drive efficiencies. GoTyme Bank is expected to reach profitability in quarter four, 2025. The third country, Vietnam is currently in the contracting stages with country partners. During the period the fair value of the Tyme Global investment was adjusted to reflect the post-money value of the recently closed Series C capital raise. We are very excited about the prospects of Tyme Global and the thesis around building a multi-country digital bank at scale is coming to fruition.

Crossfin – 1.5% of Fund Value (30 June 2023: 1.6%)

Crossfin invests in high growth, cash-generative technology and fintech-type businesses and owns stakes in various fintech businesses including Ikhokha, Adumo Payments and GAAP. ARC has committed in total of R600 million to the investment and has deployed R568 million as at 31 December 2023. Crossfin is in the process of positioning some of its investments for sale in the medium term to realise value for shareholders.

Other Banking and Fintech investments – 1.1% of Fund Value (30 June 2023: 1.2%)

The other Banking and Fintech investments include Ooba, the TRG Africa AI Fund and Sybrin.

Insurance and Asset Management - 12.8% of Fund Value (30 June 2023: 13.4%)

The Company's effective interest in the Insurance and Asset Management investments increased by 2.4% from R2 207 million at 30 June 2023 to R2 261 million at 31 December 2023. This was mainly attributable to fair value gains relating to Alexforbes and Capital Legacy. ARC Fund owns 49.9% of ARC FSH, which in turn owns 75% of ARC FSI's investments. ARC FSI holds the assets in the Insurance and Asset Management portfolio and Specialised Financial services.

Alexforbes – 6.6% of Fund Value (30 June 2023: 7.0%)

ARC FSI owns 42.3% of the listed company Alexander Forbes Group Holdings Limited, currently valued at R3 618 million. ARC will continue to play an appropriate role in the investment in terms of strategy, acquisitions and people. The share price performed well during the period under review, which resulted in a net fair value gain of R26 million being recognised.

Capital Legacy – 2.7% of Fund Value (30 June 2023: 2.7%)

Capital Legacy is one of the largest estate administrators in South Africa. Its key differentiator is the insurance product it offers relating to estate administration. The Company's effective investment in Capital Legacy increased from R437 million at 30 June 2023 to R478 million at 31 December 2023. Capital Legacy has continued to show exemplary growth. Sanlam's 26% investment in Capital Legacy and the acquisition of 100% of the Sanlam Trust business by Capital Legacy was implemented on 1 August 2023. The transaction is aimed at unlocking substantial synergies between Sanlam and Capital Legacy in respect of capital, insurance and distribution opportunities.

Sanlam Third-Party Asset Management Business (SIH) - 2.2% of Fund Value (30 June 2023: 2.2%)

ARC FSI holds a 25.0% interest in SIH. The Company's effective investment in SIH decreased marginally from R364 million at 30 June 2023 to R361 million at 31 December 2023. ARC FSI received a dividend of R94 million during the reporting period. ARC FSI will continue to competitively position and support Sanlam management to identify growth opportunities. The SIH investment delivered pleasing results during their financial year to 31 December 2023. Following the acquisition of the ABSA Asset Management business, the consolidation of the two operations will significantly boost AUM and increase economies of scale of operations which will result in the unlock of substantial cost synergies.

Other Insurance and Asset Management – 1.5% of Fund Value (30 June 2023: 1.6%)

The Other Insurance and Asset Management portfolio investments include Afrocentric, Colourfield, Khumo Capital, QED, Smart Health Investments, Infund Solutions, LifeCheq, National Health Solutions, Lima Mbeu and Global ASP. The Company's effective investment in the portfolio decreased marginally from R267 million at 30 June 2023 to R257 million at 31 December 2023.

Specialist Financial Services - 1.6% of Fund Value (30 June 2023: 3.0%)

The Company's effective interest in the Specialist Financial Services investments remained unchanged at R277 million at 31 December 2023. The investments in this portfolio include Optasia, GoSolr, A2X, Constellation Capital, Edge Growth Alternative Prosperity, Bravura, Sinayo, Cronos Capital and QED.

Governance and Leadership

ARC Investments is managed and controlled in Mauritius by an experienced, multi-national Board of Directors (the Board), of which the majority are independent. The Board has final oversight and responsibility in respect of ARC Investments' business, strategy and key policies, including the investment in the ARC Fund. There are no executive directors on the Board of ARC Investments.

ARC Investments is the only Limited Partner in the ARC Fund. It plays no role in the management or investment decisions of the ARC Fund.

The Board of Directors of the Company as at the reporting date comprised (unchanged from the prior period):

Name (age)	Nationality	Function
Mark Cyril Olivier (55)	British	Independent Non-executive Director (Chairperson)
Clive Msipha (42)	Zimbabwean	Independent Non-executive Director (Chairperson of Audit and Risk Committee)
Anil Currimjee (61)	Mauritian	Independent Non-executive Director
Renosi Mokate (66)	South African	Independent Non-executive Director
Mmamodiane Refloie Nkadameng (42)	South African	Non-executive Director
Smitha Algoo-Bissonauth (39)	Mauritian	Independent Non-executive Director

COMMENTARY

For the six-months ended 31 December 2023

All the investment decisions of the ARC Fund are taken by the General Partner through the Board or its Investment Committee or, subject to the terms of any delegations in place, its Investment Advisory Committee. The ARC Fund's relationship with the General Partner is governed through a Partnership Agreement. The Company's Investment Guidelines have been adopted by the General Partner's Investment Committee in its charter.

The General Partner Board is responsible for general investment decisions, strategic and financial reviews of the ARC Fund and management of the pipeline and liquidity of the ARC Fund. It will provide representation on the boards of portfolio companies (where appropriate), prepare valuation reports to ARC Investments and provide general feedback to ARC Investments on matters relating to the ARC Fund.

The Board reviewed and considered the results of the assessment of the Board and the subcommittees.

The Board of Directors of the General Partner as at the reporting date comprised:

Name (age)	Function
Patrice Motsepe (62)	Non-executive Director (Chairperson)
Alexander Maditsi (61)	Non-executive Director
Michael Arnold (65) ¹	Non-executive Director
Thomas Boardman (74) ^{2,3}	Non-executive Director
Boipelo Lekubo (41)	Non-executive Director
Tsundzukani Mhlanga (42)	Non-executive Director
Johan van der Merwe (59)	Executive Director
Johan van Zyl (68)	Non-executive Director

¹ Resigned on 07 December 2023

² Appointed on 07 December 2023

³ Thomas Boardman is the Chairman of the Investment Committee and the Audit and Risk Committee.

Events after the reporting period

Kropz Group

During January 2024, the ARC Fund advanced an additional R52.5 million loan from an existing loan facility to help fund operations at Elandsfontein.

ARCH Emerging Markets

During February 2024, the ARC Fund advanced a loan amount of USD5.1 million (approximately R96 million) to ARCH Emerging Markets.

BASIS OF PREPARATION

Statement of compliance

The Condensed Unaudited Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Statements (IAS 34); the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee; the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council; the Listings Requirements of the JSE Limited; and the requirements of the Mauritian Companies Act 2001, insofar as applicable to Category One Global Business Licensed Company under the Mauritian Financial Services Act, 2007, which is regulated by the Mauritian Financial Services Commission.

The statutory financial statements are available for inspection at Level 3 - Alexander House, 35 Cybercity, Ebené, 72201.

The accounting policies applied in the preparation of the condensed interim results are consistent with those applied in the Company's 30 June 2023 Annual Financial Statements.

Any forward-looking statements have not been reviewed nor reported on by the Company's external auditors.

APPROVAL

The Financial Statements for the six-month ended 31 December 2023 were approved in Mauritius by the Board of Directors of the Company on 11 March 2024.



Mark Cyril Olivier
Chairman of the Board



Clive Msipha
Chairman of the Audit
and Risk Committee



Karen Bodenstein
Chief Financial Officer

CONDENSED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

		Unaudited 31 December 2023	Unaudited 31 December 2022	Audited 30 June 2023
	Notes	R million	R million	R million
ASSETS				
Non-current assets				
Investment in the ARC Fund at FVTPL*	5	16 139	13 387	15 364
Current assets				
Current financial assets at amortised costs		750	–	–
Cash and cash equivalents		18	24	21
Total assets		16 907	13 411	15 385
EQUITY				
Stated capital	7.1	10 797	9 925	9 925
Accumulated loss		(518)	(388)	(514)
Performance Participation reserve		–	–	122
Fair value reserve		6 625	3 873	5 850
Total equity		16 904	13 410	15 383
LIABILITIES				
Current liabilities				
Trade and other payables		3	1	2
Total equity and liabilities		16 907	13 411	15 385

* FVTPL: Fair value through profit or loss. This number is on IFRS basis. Refer to note 4.1 for the reconciliation between IFRS and intrinsic numbers.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

For the six-months ended 31 December 2023

		Unaudited 31 December 2023	Unaudited 31 December 2022	Audited 30 June 2023
	Notes	R million	R million	R million
Fair value movements on the investment in the ARC Fund at FVTPL*	4.2	775	138	2 115
Other income		1	–	–
Other expenses	6	(5)	(4)	(9)
Performance Participation expense	9	–	–	(122)
Profit before taxation		771	134	1 985
Taxation	10	–	–	–
Profit for the period/year		771	134	1 985
Other comprehensive income for the period/year		–	–	–
Total comprehensive income for the period/year		771	134	1 985
Earnings per share:				
Basic earnings per ordinary share (cents)	7.1	51	10	148
Diluted earnings per ordinary share (cents)	7.1	51	10	146

* FVTPL: Fair value through profit or loss. This number is on IFRS basis. Refer to note 4.2 for the reconciliation between IFRS and intrinsic numbers.

CONDENSED STATEMENT OF CHANGES IN EQUITY

For the six-months ended 31 December 2023

Notes	Stated Capital R million	Accumulated Loss R million	Performance Participation Reserve R million	Fair Value Reserve R million	Total Equity R million
Audited balance at 30 June 2022	9 653	(385)	273	3 735	13 276
Total comprehensive income for the period	–	134	–	–	134
Transfer to fair value reserve *	–	(138)	–	138	–
Shares issued	272	1	(273)	–	–
Performance Participation	–	–	–	–	–
Unaudited balance at 31 December 2022	9 925	(514)	122	5 850	15 383
Total comprehensive income for the period	–	1 851	–	–	1 851
Transfer to fair value reserve *	–	(1 977)	–	2 115	–
Shares issued	–	–	–	–	–
Performance Participation	–	–	122	–	122
Audited balance at 30 June 2023	9 925	(514)	122	5 850	15 383
Total comprehensive income for the period	–	771	–	–	771
Transfer to fair value reserve *	–	(775)	–	775	–
Shares issued 7.1	872	–	(122)	–	750
Performance Participation 9	–	–	–	–	–
Unaudited balance at 31 December 2023	10 797	(518)	–	6 625	16 904

* The unrealised fair value adjustments on investments are transferred to the fair value reserve. On disposal of the investment, the related cumulative fair value adjustments are released to retained earnings.

CONDENSED STATEMENT OF CASH FLOWS

For the six-months ended 31 December 2023

Notes	Unaudited 31 December 2023 R million	Unaudited 31 December 2022 R million	Audited 30 June 2023 R million
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash utilised in operations before investment activities 11	(3)	(5)	(8)
Net cash outflows from operating activities	(3)	(5)	(8)
CASH FLOWS FROM INVESTING ACTIVITIES			
Return of capital by ARC Fund 5	–	20	20
Net cash inflows from investing activities	–	20	20
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash inflows from financing activities	–	–	–
Net increase/(decrease) in cash and cash equivalents	(3)	15	12
Cash and cash equivalents at the beginning of the period/year	21	9	9
Total cash and cash equivalents	18	24	21

* FVTPL: Fair value through profit or loss

ACCOUNTING POLICIES

For the six-months ended 31 December 2023

1. DEFINITIONS

The following definitions are key to the understanding of the Company's Interim Financial Statements:

1.1 International Financial Reporting Standards (IFRS) portfolio value

Investments in the ARC Fund are reported using IFRS fair value principles.

1.2 Intrinsic portfolio value (IPV)

The intrinsic portfolio value is determined by the Directors at every reporting period. The IPV is the IFRS portfolio value adjusted for non-IFRS measures as set out in the Segmental Report. The significant non-IFRS measurement differences comprise:

- valuing underlying listed investments on a 30-day volume weighted average price (VWAP) basis (compared to closing spot price), net after expected taxation cash flows; and
- valuing underlying listed investments after recognising B-BBEE discounts on a 30-day VWAP basis (compared to closing spot price), net after expected taxation cash flows.

1.3 Intrinsic Net Asset Value (INAV)

Intrinsic portfolio value of ARC Investments plus cash and other net assets, less debt.

1.4 NAV

IFRS portfolio value of ARC Investments plus cash and other net assets, less debt. NAV per share is reported in note 4.3.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The Unaudited Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Statements (IAS 34); the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee; the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council; the Listings Requirements of the JSE Limited; and the requirements of the Mauritian Companies Act 2001, insofar as applicable to Category One Global Business Licensed Company under the Mauritian Financial Services Act, 2007, which is regulated by the Mauritian Financial Services Commission.

The statutory financial statements are available for inspection at Level 3 - Alexander House, 35 Cybercity, Ebené, 72201

The accounting policies applied in the preparation of the condensed interim results are consistent with those applied in the Company's 30 June 2023 Audited Annual Financial Statements.

2.2 Functional currency and presentation currency

The Company's Interim Financial Statements are presented in South African Rand (Rand), which is the Company's functional and presentation currency. All financial information presented in Rand has been rounded to the nearest million (R million).

2.3 Basis of measurement

The Interim Financial Statements have been prepared on the historical-cost basis, except for the measurement of financial instruments at fair value.

The going-concern basis has been used in preparing the Interim Financial Statements as the Directors have a reasonable expectation that the Company will continue as a going concern for the foreseeable future.

3. KEY AREAS OF JUDGEMENT

3.1 Fair value measurement of the investment in the ARC Fund

The basis of valuation of the Investment is dependent on the valuation of all investments in the ARC Fund portfolio. The basis of valuation of all investments in the ARC Fund portfolio, and consequently the Company's investment in the ARC Fund at fair value through profit or loss (FVTPL), is fair value. Fair value is determined half-yearly. All investments are valued in accordance with the valuation policy outlined below.

The sum of the individual instruments plus the cash and net assets in the ARC Fund make up the investment in the ARC Fund. The valuation of the individual assets is in line with IFRS 13, therefore the sum of these represents the IFRS 13 fair value of the investment in the ARC Fund. A minority discount was considered as a result of the Company not controlling the ARC Fund; however, this did not impact the value as a result of the strength of the protective rights in the respective shareholder and other agreements.

The General Partner values the investment portfolio in accordance with its valuation policy. The valuation policy considers the International Private Equity and Venture Capital Valuation Guidelines (IPEV Guidelines) and is consistent with the valuation approach detailed below, which will be consistent year on year except where there have been changes in circumstances in relation to an investment, and therefore the impact of such change would be disclosed.

3.1.1 Basis of valuation and approach

The fair value of the underlying investments in the ARC Fund at measurement date is in accordance with the principles of IFRS 13, Fair Value Measurement. Fair value is defined as the price that would be received for an asset in an orderly transaction between willing market participants at the measurement date. A fair value measurement assumes that a hypothetical transaction to sell an asset takes place in the principal market or in its absence, the most advantageous market for the asset.

For **listed investments** that are suitably liquid investments, the available market prices (calculated at the spot rate at the measurement date) will be the basis for the measurement of the IFRS portfolio value for identical instruments.

Where investments in listed assets are thinly traded, due consideration needs to be given to the fact that the price at which the share trades may not be representative of the fair value of these investments. As such, the General Partner may duly consider whether the cost of the investment or the fair value as determined by another valuation approach may not be a better representation of the fair value than the quoted market price on the exchange.

Unlisted investments are valued primarily using either an income approach (IA) or a market approach (MA) valuation methodology or a combination of the two approaches. The discounted cash flow (DCF) is the preferred income approach methodology applied. In applying a market approach valuation methodology an appropriate trading multiple or comparable transaction is selected, or a recent transaction used, depending on the specific underlying investment being valued.

ACCOUNTING POLICIES

For the six-months ended 31 December 2023

The General Partner uses its judgement to select the valuation technique most appropriate for an investment. On a specific investment, a single valuation technique or approach may be more appropriate (e.g. when valuing an asset using quoted prices in an active market for identical assets); however, the use of multiple valuation approaches on an investment is encouraged.

If multiple valuation techniques or approaches are used to measure fair value, the results of the various valuation methods are evaluated considering the reasonableness of the range of values indicated by those results. A fair value measurement is the point within that range that is most representative of fair value in the circumstances.

In determining the fair value of an investment, the General Partner uses its judgement. This includes consideration of those specific terms of the investment that may impact its fair value. In this regard, the General Partner would consider the economic substance of the investment, which may take precedence over the strict legal form. The General Partner would take the results of each of the valuation methods applied into account in determining the final value of an investment.

The valuations of the investments are presented to the Board of the Company.

Foreign investments are those considered to be in jurisdictions outside of South Africa. These are valued in the local currency of the country of investment and translated to Rand at the spot rate at the valuation date.

Lack of control/minority interest: To the extent that an investment is a minority interest and cannot be easily realised, an appropriate minority discount would be considered. However, to the extent that the ARC Fund has certain rights in respect of an investment (such as minority protections or Board representations) these rights would be considered.

Restriction on trading/lack of marketability: To the extent that the ARC Fund is restricted or prevented from disposing of the investment for a period of time, this restriction would be considered in the IFRS portfolio value of the investment in arriving at an appropriate discount adjustment for lack of marketability. This will include and consider any lock-ins agreed as part of an investment.

3.1.2 Income approach methodology

When applying the income approach, the General Partner will consider the appropriateness of any sensitivity and/or scenario analyses.

3.1.3 Discounted cash-flow methodology

The discounted cash-flow method is used to derive the enterprise value of the investment using reasonable assumptions on the estimations of expected future post-taxation cash flows. The forecast cash flows (free cash flows to the firm) and the terminal value (if applicable to the investment) are discounted to the present value using an appropriate risk-adjusted weighted average cost of capital (WACC) as the discount rate. To arrive at the estimate equity value, an adjustment is made for net indebtedness. Where appropriate, an adjustment to the valuation would be made for non-operating assets and liabilities and any surplus or deficit working capital in the investment.

In some valuations (for example, insurance and banking valuations), the use of free cash flow to equity might be preferred. Free cash flows to equity are discounted using an appropriate cost of equity discount rate.

The length of the period for which it would remain appropriate to use this valuation technique will depend on the specific circumstances of the investment and is subject to the judgement of the General Partner.

3.1.4 Market approach methodology

Multiple approach

If a multiple approach is used, where appropriate, the General Partner would apply an Enterprise Value (EV)/earnings before interest, taxation, depreciation and amortisation (EBITDA) or price/earnings (P/E) multiple that is appropriate and reasonable, based on comparable companies and taking account of the size, risk profile, country risk and earnings prospects of the underlying company. In other cases, where appropriate, EV/EBITDA and price/book value may also be considered.

Comparable transaction approach

Where comparable transaction data is available and deemed appropriate to use for valuation purposes the comparable transaction approach is considered. The comparable transaction approach looks at recent similar or comparable transactions of the company being valued or a company with similar business model to inform the basis of the valuation. The value of a business is determined by using a similar multiple that was achieved in past completed transactions after adjusting for any lack of marketability, minority or control premiums where appropriate.

The General Partner as the fund manager of the portfolio assets is contractually bound to perform half-yearly valuations of the investment portfolio and to report half-yearly to the partners of the ARC Fund. The half-yearly valuation reports are approved by the Audit and Risk Committee of the General Partner with the support and guidance of the Investment Committee. While due professional judgement is exercised in determining the fair value of these investments, there are inherent limitations in any valuation technique involving securities of the type in which the ARC Fund invests. Therefore, the fair values presented herein may not be indicative of the amount the ARC Fund could realise in a current transaction.

3.2 Control over the ARC Fund

The General Partner directs all the relevant activities of the ARC Fund and is therefore considered to have power over the Fund. The Company does not have a currently exercisable right to remove the General Partner other than for a reasonable cause. The reasonable cause is deemed to be protective in nature and is, therefore, not substantive in nature and does not affect the assessment of control. Therefore, the Company does not control the ARC Fund. ARC Investments does not have the power to participate in the financial and operating policy decisions of the ARC Fund. Therefore, ARC Investments does not have significant influence over the ARC Fund. The Company may remove the General Partner at the first annual general meeting after the seven-year term from the Listing Date, or at the first annual general meeting following each fifth anniversary thereafter.

CONDENSED SEGMENTAL INFORMATION

For the six-months ended 31 December 2023

4. SEGMENTAL INFORMATION

Accounting policy

The Company has determined its operating segments based on investments held. Since the Company held one investment at the end of the reporting year (the investment in the ARC Fund), only one operating segment is defined in terms of IFRS 8, Operating Segments. The chief operating decision makers (CODMs), being the Board of Directors, evaluate the investment in the ARC Fund based on intrinsic portfolio value. The fair value movement, as evaluated by the CODMs, represents the measure of the segment performance. The IFRS values and intrinsic values are reconciled in the tables below.

Information on the underlying investment held by ARC Fund is also reported to the CODMs for the purpose of assessing segment performance. The Investment Committee of the General Partner in the ARC Fund reports to the CODMs in terms of the guidelines on the investment portfolio valuation and reporting processes as set out in the ARC Investments Limited Investment Guidelines.

Company context in application of accounting policy

Diversified Investments

These are the non-financial services investments acquired by the ARC Fund for purposes of demonstrated growth potential and the ability to deliver returns above the target return of 16%. They are a combination of growth assets and businesses about to reach steady state. The key factor with regard to the Diversified Investments' strategy is that the ARC Fund partners with industry leaders to ensure the right level of monitoring and oversight is achieved with individuals with the requisite knowledge and experience of the relevant industry. The Diversified Investments' portfolio is further categorised as follows:

- Telecommunications;
- Mining, Construction and Energy;
- Business Process Outsourcing;
- Agriculture; and
- Diversified Financials.

Financial Services

This is the core industry experience of the executive team within the ARC Fund. The investment strategy is to assemble a portfolio of assets that lends itself to synergistical benefits within its ecosystem. To this end, the portfolio is organised into the following categories:

- Insurance and Asset Management;
- Specialist Financial Services; and
- Banking and Fintech.

SEGMENTAL INFORMATION

For the six-months ended 31 December 2023

4.1 SEGMENTAL PORTFOLIO VALUE MOVEMENTS

Investment	INTRINSIC ¹									
	31 DECEMBER 2023					31 DECEMBER 2022				
	Net Balance at 30 June 2023 R million	Acquisition or (Disposal) R million	Fair Value, Interest, Forex & Disposal Gain/Loss R million	Net Balance at 31 December 2023 R million	Percentage of Fund	Net Balance at 30 June 2022 R million	Acquisition or (Disposal) R million	Fair Value, Interest, Forex & Disposal Gain/Loss R million	Net Balance at 31 December 2022 R million	Percentage of Fund
Diversified Investments										
Telecommunications	4 516	81	222	4 819	27.2%	3 635	–	–	3 635	26.6%
Rain	4 516	81	222	4 819	27.2%	3 635	–	–	3 635	26.6%
Diversified Financials	2 239	137	(117)	2 259	12.7%	1 876	537	(128)	2 285	16.8%
ARCH Emerging Markets	620	21	2	643	3.6%	408	49	2	459	3.4%
Fledge Capital	583	–	1	584	3.3%	486	–	(14)	472	3.5%
African Rainbow Capital Investments ²	508	44	(129)	423	2.4%	700	–	(113)	587	4.3%
Tyme Group ³	310	76	9	395	2.2%	–	490	2	492	3.6%
Property	218	(4)	–	214	1.2%	282	(2)	(5)	275	2.0%
Mining Construction and Energy	2 050	379	(290)	2 139	12.1%	1 948	(54)	(292)	1 602	11.7%
Kropz Group	1 919	379	(295)	2 003	11.3%	1 028	472	(126)	1 374	10.1%
Afrimat ²	–	–	–	–	0.0%	629	(486)	(143)	–	0.0%
Other Mining, Construction and Energy	131	–	5	136	0.8%	291	(40)	(23)	228	1.6%
Business Process Outsourcing	1 691	(33)	80	1 738	9.8%	1 886	(519)	18	1 385	10.1%
Bluespec	515	–	–	515	2.9%	476	–	–	476	3.5%
Linebooker	355	–	5	360	2.0%	226	18	27	271	2.0%
GemCap	35	–	2	37	0.2%	318	(316)	32	34	0.2%
Other Business Process Outsourcing	786	(33)	73	826	4.7%	866	(221)	(41)	604	4.4%
Agriculture	789	21	(16)	794	4.5%	450	–	80	530	3.9%
RSA	373	21	(45)	349	2.0%	123	–	87	210	1.5%
Other Agriculture	416	–	29	445	2.5%	327	–	(7)	320	2.4%
Total Company share of Fund's Diversified Investments	11 285	585	(121)	11 749	66.3%	9 795	(36)	(322)	9 437	69.1%
Financial Services	5 078	–	905	5 983	33.7%	3 864	–	355	4 219	30.9%
ARC Financial Services Holdings (Refer to note 4.1.1)	5 078	–	905	5 983	33.7%	3 864	–	355	4 219	30.9%
Total Company's share of Fund's IPV	16 363	585	784	17 732	100.0%	13 659	(36)	33	13 656	100.0%

¹ The intrinsic numbers are equivalent to IFRS numbers for unlisted investments.

² Denotes a listed entity classified as level 1 fair value hierarchy.

³ Tyme Group comprise of Tyme Bank and Tyme Asia Holdings.

SEGMENTAL INFORMATION

For the six-months ended 31 December 2023

4.1 SEGMENTAL PORTFOLIO VALUE MOVEMENTS

	INTRINSIC ¹					
	30 JUNE 2023					
	Net Balance at 30 June 2022 R million	Acquisition or (Disposal) R million	Restructure R million	Fair Value, Interest, Forex & Disposal Gain/Loss R million	Net Balance at 30 June 2023 R million	Percentage of Fund R million
Investment						
Diversified Investments						
Telecommunications	3 635	–	–	881	4 516	27.6%
Rain	3 635	–	–	881	4 516	27.6%
Diversified Financials	1 876	640	(413)	136	2 239	13.7%
African Rainbow Capital Investments ²	700	(200)	–	8	508	3.1%
Fledge Capital	486	–	–	97	583	3.6%
ARCH Emerging Markets	408	186	–	26	620	3.8%
Tyme Group ³	–	664	(413)	59	310	1.9%
Property	282	(10)	–	(54)	218	1.3%
Mining Construction and Energy	1 948	213	–	(111)	2 050	12.5%
Kropz Group	1 028	833	–	58	1 919	11.7%
Afrimat ²	629	(486)	–	(143)	–	0.0%
Other Mining, Construction and Energy	291	(134)	–	(26)	131	0.8%
Business Process Outsourcing	1 886	(364)	–	169	1 691	10.3%
Bluespec	476	–	–	39	515	3.1%
GemCap	318	(316)	–	33	35	0.2%
Linebooker	226	67	–	62	355	2.2%
Other Business Process Outsourcing	866	(115)	–	35	786	4.8%
Agriculture	450	53	–	286	789	4.8%
RSA	123	18	–	232	373	2.3%
Other Agriculture	327	35	–	54	416	2.5%
Total Company share of Fund's Diversified Investments	9 795	542	(413)	1 361	11 285	69.0%
Financial Services	3 864	11	413	790	5 078	31.0%
ARC Financial Services Holdings (Refer to note 4.1.1)	3 864	11	413	790	5 078	31.0%
Total Company's share of Fund's IPV	13 659	553	–	2 151	16 363	100.0%

¹ The intrinsic numbers are equivalent to IFRS numbers for unlisted investments.

² Denotes a listed entity classified as level 1 fair value hierarchy.

³ Tyme Group comprise of Tyme Bank and Tyme Asia Holdings.

SEGMENTAL INFORMATION

For the six-months ended 31 December 2023

4.1 SEGMENTAL PORTFOLIO VALUE MOVEMENTS

	Reconciliation of the share of ARC Fund's INTRINSIC net asset value to IFRS Value							
	31 December 2023				30 June 2023			
	Intrinsic Value 31 December 2023	Spot vs 30-day VWAP	Control Premium	IFRS Value 31 December 2023	Intrinsic Value 30 June 2023	Spot vs 30-day VWAP	Control Premium	IFRS Value 30 June 2023
Listed	423	3	–	426	508	4	–	512
Unlisted	17 309	108	–	17 417	15 855	122	(90)	15 887
Total Fund IPV	17 732	111	–	17 843	16 363	126	(90)	16 399
UBI GP fee payable by ARC Fund*	(50)	–	–	(50)	(61)	–	–	(61)
Other non-current liabilities in ARC Fund*	(1 775)	–	–	(1 775)	(1 473)	–	–	(1 473)
Total portfolio net of liabilities	15 907	111	–	16 018	14 829	126	(90)	14 865
Cash in ARC Fund*	233	–	–	233	500	–	–	500
Other assets/(liabilities) in ARC Fund*	(112)	–	–	(112)	(1)	–	–	(1)
Total investment in ARC Fund at FVTPL	16 028	111	–	16 139	15 328	126	(90)	15 364

* Measured at fair value. Where an instrument is not short-term in nature, a discounted cash flow method with a market related interest rate was used to value the instruments.

	Reconciliation of the share of ARC Fund's INTRINSIC net asset value to IFRS Value			
	31 December 2022			
	Intrinsic Value 31 December 2022	Spot vs 30-day VWAP	Control Premium	IFRS Value 31 December 2022
Listed	587	85	–	672
Unlisted	13 069	110	(80)	13 099
Total Fund IPV	13 656	195	(80)	13 771
UBI GP fee payable by ARC Fund*	(37)	–	–	(37)
Other non-current liabilities in ARC Fund*	(1 396)	–	–	(1 396)
Total portfolio net of liabilities	12 223	195	(80)	12 338
Cash in ARC Fund*	1 051	–	–	1 051
Other assets/(liabilities) in ARC Fund*	(2)	–	–	(2)
Total investment in ARC Fund at FVTPL	13 272	195	(80)	13 387

* Measured at fair value. Where an instrument is not short-term in nature, a discounted cash flow method with a market related interest rate was used to value the instruments.

SEGMENTAL INFORMATION

For the six-months ended 31 December 2023

4.1 SEGMENTAL PORTFOLIO VALUE MOVEMENTS

4.1.1. THE COMPANY'S EFFECTIVE INTEREST IN ARC FINANCIAL SERVICES HOLDINGS

The value of ARC Fund's effective interest in ARC Financial Services Holdings is as follows:

Investment	INTRINSIC										
	31 DECEMBER 2023					30 JUNE 2023					
	Net Balance at 30 June 2023 R million	Acquisition or (Disposal) R million	Fair Value, Interest, Forex & Disposal Gain/Loss R million	Net Balance at 31 December 2023 R million	Dividend Income	Net Balance at 30 June 2022 R million	Acquisition or (Disposal) R million	Restructure R million	Fair Value, Interest, Forex & Disposal Gain/Loss R million	Net Balance at 30 June 2023 R million	Dividend Income
Financial Services											
Insurance and Asset Management	2 207	3	51	2 261	99	2 086	(167)	-	288	2 207	101
Alexander Forbes Group Holdings ¹	1 139	-	26	1 165	57	963	-	-	176	1 139	74
Capital Legacy	437	-	41	478	-	288	75	-	74	437	10
Sanlam Third Party Asset Management	364	-	(3)	361	34	309	4	-	51	364	-
Rand Mutual Holdings	-	-	-	-	-	259	(266)	-	7	-	11
Other Insurance and Asset Management	267	3	(13)	257	8	267	20	-	(20)	267	6
Banking & Digital	3 254	(5)	801	4 050	6	2 324	285	206	439	3 254	13
Tyme Group ²	2 797	13	782	3 592	-	-	237	2 119	436	2 792	-
CrossFin	263	(17)	17	263	-	213	45	-	5	263	-
TymeBank	-	-	-	-	-	1 417	-	(1 413)	1	5	-
Tyme Global	-	-	-	-	-	500	-	(500)	-	-	-
Other Banking	194	(1)	2	195	6	194	3	-	(3)	194	13
Specialist Financial Services	277	17	(17)	277	1	96	178	-	3	277	1
Total Company share of Financial Services portfolio value	5 738	15	835	6 588	106	4 506	296	206	730	5 738	115

¹ Denotes a listed entity classified as level 1 fair value hierarchy.

² Tyme Group comprise of Tyme Bank and Tyme Asia Holdings.

Investment	31 DECEMBER 2023				30 JUNE 2023			
	Net Asset Value 30 June 2023 R million	Net Investment R million	Net increase in Net Asset Value R million	Net Asset Value 31 December 2023 R million	Net Asset Value 30 June 2022 R million	Net Investment R million	Net increase in Net Asset Value R million	Net Asset Value 30 June 2023 R million
IPV	5 738	15	835	6 588	4 506	502	730	5 738
Deferred consideration*	(2)	-	1	(1)	(2)	-	-	(2)
Other non-current liabilities*	(762)	-	(3)	(765)	(734)	-	(28)	(762)
Total liabilities	(764)	-	(2)	(766)	(736)	-	(28)	(764)
Total portfolio net of liabilities	4 974	15	833	5 822	3 770	502	702	4 974
Cash*	102	(15)	85	172	100	-	2	102
Other net assets /(liabilities)*	2	-	(13)	(11)	(6)	-	8	2
Total Company share of investment in ARC Financial Services Portfolio	5 078	-	905	5 983	3 864	502	712	5 078

* Measured at fair value. Where an instrument is not short-term in nature, a discounted cash flow method with a market related interest rate was used to value the instruments.

SEGMENTAL INFORMATION

For the six-months ended 31 December 2023

4.1 SEGMENTAL PORTFOLIO VALUE MOVEMENTS

4.1.1. THE COMPANY'S EFFECTIVE INTEREST IN ARC FINANCIAL SERVICES HOLDINGS

The value of ARC Fund's effective interest in ARC Financial Services Holdings is as follows:

Investment	INTRINSIC				
	31 DECEMBER 2022				
	Net Balance at 30 June 2022 R million	Acquisition or (Disposal) R million	Fair Value, Interest, Forex & Disposal Gain/ Loss R million	Net Balance at 31 December 2022 R million	Dividend Income
Financial Services					
Insurance and Asset Management	2 086	–	111	2 197	68
Alexander Forbes Group Holdings ¹	963	–	66	1 029	42
Sanlam Third Party Asset Management	309	–	9	318	–
Capital Legacy	288	–	25	313	10
Rand Mutual Holdings	259	–	7	266	11
Other Insurance and Asset Management	267	–	4	271	5
Banking & Digital	2 324	37	204	2 565	6
TymeBank	1 417	(1 413)	–	4	–
Tyme Global	500	(500)	–	–	–
Tyme Group ²	–	1 934	194	2 128	–
CrossFin	213	19	2	234	–
Other Banking	194	(3)	8	199	6
Specialist Financial Services	96	69	(10)	155	–
Total Company share of Financial Services portfolio value	4 506	106	305	4 917	74

¹ Denotes a listed entity classified as level 1 fair value hierarchy.

² Tyme Group (held directly by ARC Fund) comprise of Tyme Bank and Tyme Global.

Investment	31 DECEMBER 2022			
	Net Asset Value 30 June 2022 R million	Net Investment R million	Net increase in Net Asset Value R million	Net Asset Value 31 December 2022 R million
IPV	4 506	106	305	4 917
Deferred consideration*	(2)	–	–	(2)
Other non-current liabilities*	(734)	7	(31)	(758)
Total liabilities	(736)	7	(31)	(760)
Total portfolio net of liabilities	3 770	113	274	4 157
Cash*	100	(113)	81	68
Other net assets /(liabilities)*	(6)	–	–	(6)
Total Company share of investment in ARC Financial Services Portfolio	3 864	–	355	4 219

* Measured at fair value. Where an instrument is not short-term in nature, a discounted cash flow method with a market related interest rate was used to value the instruments.

SEGMENTAL INFORMATION

For the six-months ended 31 December 2023

4.2 SEGMENTAL PORTFOLIO RETURNS

Investment (R million)	31 December 2023				30 June 2023				31 December 2022			
	Dividend Income ¹	Fair Value Adjustment	Other Income ²	Total Intrinsic Income	Dividend Income ¹	Fair Value Adjustment	Other Income ²	Total Intrinsic Income	Dividend Income ¹	Fair Value Adjustment	Other Income ²	Total Intrinsic Income
Diversified Investments												
Telecommunications	-	222	-	222	-	881	-	881	-	-	-	-
Rain	-	222	-	222	-	881	-	881	-	-	-	-
Mining, Construction and Energy	12	(414)	124	(278)	14	(234)	123	(97)	-	(332)	40	(292)
Afrimat ³	-	-	-	-	-	(143)	-	(143)	-	(143)	-	(143)
Kropz Group	-	(419)	124	(295)	-	(65)	123	58	-	(166)	40	(126)
Other Mining, Construction and Energy	12	5	-	17	14	(26)	-	(12)	-	(23)	-	(23)
Business Process Outsourcing	18	80	-	98	74	154	15	243	28	6	19	53
Gemcap	-	2	-	2	-	25	8	33	-	24	8	32
Bluespec	4	-	-	4	42	39	-	81	21	-	-	21
Linebooker	-	5	-	5	-	55	7	62	-	23	4	27
Other Business Process Outsourcing	14	73	-	87	32	35	-	67	7	(41)	7	(27)
Agriculture	23	(16)	-	7	11	286	-	297	-	80	-	80
RSA	16	(45)	-	(29)	7	232	-	239	-	87	-	87
Other Agriculture	7	29	-	36	4	54	-	58	-	7	-	7
Diversified Financials	-	(118)	1	(117)	55	97	39	191	51	(137)	17	(69)
Fledge Capital	-	1	-	1	23	97	-	120	23	(14)	-	9
African Rainbow Capital Investments ³	-	(129)	-	(129)	-	8	-	8	-	(113)	-	(113)
Tyme Group ⁴	-	9	-	9	-	51	8	59	-	2	8	10
ARCH Emerging Markets	-	2	-	2	-	26	-	26	-	2	-	2
Property	-	(1)	1	-	32	(85)	31	(22)	28	(14)	9	23
Total Company share of Fund's Diversified Investments Portfolio returns	53	(246)	125	(68)	154	1 184	177	1 515	79	(383)	76	(228)
Financial Services	-	905	-	905	-	790	-	790	-	355	-	355
ARC Financial Services Holdings	-	905	-	905	-	790	-	790	-	355	-	355
Total Company share of Fund's Portfolio returns	53	659	125	837	154	1 974	177	2 305	79	(28)	76	127

¹ Dividend income represents cash dividend receipts.

² Other income includes Directors' fees, interest income on loans and foreign exchange gains and losses on portfolio entities.

³ Denotes a listed entity classified as level 1 fair value hierarchy.

⁴ Tyme Group (held directly by ARC Fund) comprise of Tyme Bank and Tyme Global.

SEGMENTAL INFORMATION

For the six-months ended 31 December 2023

4.2 SEGMENTAL PORTFOLIO RETURNS

	Reconciliation of the share of ARC Fund's INTRINSIC to IFRS portfolio returns							
	31 DECEMBER 2023				30 JUNE 2023			
	Total Intrinsic Income 30 June 2023	Change resulting from Spot vs 30 day VWAP	Change resulting from Control Premium	Total IFRS Income 30 June 2023	Total Intrinsic Income 30 June 2023	Change resulting from Spot vs 30 day VWAP	Change resulting from Control Premium	Total IFRS Income 30 June 2023
Total Company share of Fund's Invested Portfolio returns	837	(13)	90	914	2 305	26	(15)	2 316
Fund management fee				(50)				(98)
Interest income on cash and cash equivalents				13				56
Finance costs in the ARC Fund				(92)				(135)
Other net expenses in the Fund				(10)				(24)
IFRS fair value movements on the investment in the ARC Fund at FVTPL				775				2 115

	Reconciliation of the share of ARC Fund's INTRINSIC to IFRS portfolio returns			
	31 DECEMBER 2022			
	Total Intrinsic Income 31 December 2022	Change resulting from Spot vs 30 day VWAP	Change resulting from Control Premium	Total IFRS Income 31 December 2022
Total Company share of Fund's Invested Portfolio returns	127	95	(5)	217
Fund management fee				(37)
Interest income on cash and cash equivalents				20
Finance costs in the ARC Fund				-
Other net expenses in the Fund				(62)
IFRS fair value movements on the investment in the ARC Fund at FVTPL				138

SEGMENTAL INFORMATION

For the six-months ended 31 December 2023

4.3 SEGMENTAL PORTFOLIO NET ASSET VALUE MOVEMENTS - OTHER DISCLOSURE

	INTRINSIC									
	31 DECEMBER 2023					30 JUNE 2023				
	Net Balance 30 June 2023 R million	Acquisition or (Disposal) R million	Net Interest Capitalised R million	Fair Value, Forex & Disposal Gain/Loss R million	Net Balance 31 December 2023 R million	Net Balance 30 June 2022 R million	Acquisition or (Disposal) R million	Net Interest Capitalised R million	Fair Value, Forex & Disposal Gain/Loss R million	Net Balance 30 June 2023 R million
Investment										
Nature classification of investments										
Listed	508	44	–	(129)	423	1 418	(761)	–	(149)	508
Unlisted	15 855	543	129	782	17 309	12 241	1 314	136	2 164	15 855
Total Nature classification	16 363	587	129	653	17 732	13 659	553	136	2 015	16 363
Geographic classification of investments										
South Africa	14 159	517	37	1 089	15 802	11 991	(171)	11	2 328	14 159
Rest of Africa	613	29	–	3	645	408	179	–	26	613
International	1 591	41	92	(439)	1 285	1 260	545	125	(339)	1 591
Total Geographic Classification	16 363	587	129	653	17 732	13 659	553	136	2 015	16 363
Investment instrument type										
Equity	14 536	228	–	811	15 575	13 291	(326)	–	1 571	14 536
Loans	1 802	384	129	(158)	2 157	368	854	136	444	1 802
Preference Shares	25	(25)	–	–	–	–	25	–	–	25
Total Instrument Type Classification	16 363	587	129	653	17 732	13 659	553	136	2 015	16 363

	NET ASSET VALUE PER SHARE							
	31 DECEMBER 2023				30 JUNE 2023			
	31 December 2023	30 June 2023	Per share change	% change	30 June 2023	30 June 2022	Per share change	% change
Net Asset Value – IFRS								
Net Asset Value per shares (cents) - IFRS	1 123	1 144	(21)	(1.8%)	1 144	1 008	136	13.5%
Diluted Net Asset Value per share (cents) - IFRS	1 123	1 134	(11)	(1.0%)	1 134	988	146	14.8%

	31 DECEMBER 2023				30 JUNE 2023			
	31 December 2023	30 June 2023	Per share change	% change	30 June 2023	30 June 2022	Per share change	% change
	Net Asset Value - INTRINSIC							
Net Asset Value per shares (cents) - Intrinsic	1 115	1 141	(26)	(2.3%)	1 141	1 006	135	13.4%
Diluted Net Asset Value per share (cents) - Intrinsic	1 115	1 131	(16)	(1.4%)	1 131	986	145	14.7%

SEGMENTAL INFORMATION

For the six-months ended 31 December 2023

4.3 SEGMENTAL PORTFOLIO NET ASSET VALUE MOVEMENTS - OTHER DISCLOSURE

	INTRINSIC				
	31 DECEMBER 2022				
	Net Balance 30 June 2022 R million	Acquisition or (Disposal) R million	Net Interest Capitalised R million	Fair Value, Forex & Disposal Gain/Loss R million	Net Balance 31 December 2022 R million
Investment					
Nature classification of investments					
Listed	1 418	(554)	–	(277)	587
Unlisted	12 241	518	47	263	13 069
Total Nature classification	13 659	(36)	47	(14)	13 656
Geographic classification of investments					
South Africa	11 991	(493)	4	290	11 792
Rest of Africa	408	154	–	3	565
International	1 260	303	43	(307)	1 299
Total Geographic Classification	13 659	(36)	47	(14)	13 656
Investment instrument type					
Equity	13 291	(433)	–	(366)	12 492
Loans	368	471	47	262	1 148
Preference Shares	–	(74)	–	90	16
Total Instrument Type Classification	13 659	(36)	47	(14)	13 656

	NET ASSET VALUE PER SHARE			
	31 DECEMBER 2022			
	30 June 2023	30 June 2022	Per share change	% change
Net Asset Value – IFRS				
Net Asset Value per shares (cents) - IFRS	997	1 008	(11)	(1.10%)
Diluted Net Asset Value per share (cents) - IFRS	997	988	9	0.90%

	31 DECEMBER 2022			
	31 DECEMBER 2022			
	30 June 2023	30 June 2022	Per share change	% change
Net Asset Value - INTRINSIC				
Net Asset Value per shares (cents) - Intrinsic	998	1 006	(18)	(1.82%)
Diluted Net Asset Value per share (cents) - Intrinsic	998	986	2	0.20%

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

5. INVESTMENT IN THE ARC FUND AT FVTPL

Accounting policy

The business model applied by the Board of Directors of the Company in its management of the investment in the ARC Fund is the Intrinsic Fair Value of the Fund Portfolio as it is held primarily for capital appreciation. The investment in the ARC Fund is managed and performance evaluated on a fair value basis and is therefore a financial asset measured at fair value through profit or loss (default). The investment in the ARC Fund is thus a financial instrument mandatory at fair value through profit or loss as recognised and measured in accordance with the principles in IFRS 9, Financial Instruments, with associated disclosures presented in accordance with IFRS 7, Financial Instruments Disclosure, and IFRS 13, Fair Value Measurements.

Key judgements relate to the fair value measurement as well as control over the ARC Fund. These are discussed in more detail under Accounting Policies in note 3 above.

The investment in the ARC Fund at FVTPL and the underlying portfolio (which is compiled on a look-through basis in the ARC Fund), need to be classified at the appropriate level of hierarchy on which their fair values are based. Fair Value classification within these Interim Financial Statements is as follows:

Level 1 fair value hierarchy – Investments that trade in active markets and derive their fair value from quoted market prices of identical assets are classified within level 1. The quoted market prices provide the most reliable fair value classification and the Company does not need to adjust the quoted prices to measure the fair value of investments. The quoted market price used for investments held by the Company is the current bid price.

Level 2 fair value hierarchy – Investments that trade in markets not considered to be active and derive their fair value from observable inputs other than quoted prices included within level 1 above. These inputs need to be directly or indirectly observable for the investment and can include quoted market prices for similar assets in active or non-active markets; observable inputs other than quoted prices; and inputs derived from or corroborated by observable market data.

Level 3 fair value hierarchy – Investments where observable inputs are not available for the asset to determine its fair value. Unobservable inputs are used to measure fair value where relevant observable inputs are not available. The unlisted investments, shareholder loans and derivatives in the ARC Fund are typically classified as level 3.

Company context in application of accounting policy choices

The Company obtains exposure to and has indirect interests in a diversified pool of listed and unlisted investments (Portfolio Companies) by investing as a Limited Partner into an *en commandite* partnership established in South Africa known as the ARC Fund. The Fund is managed by a Black-owned and -controlled Fund Manager, UBI GP Co Proprietary Limited (UBI GP), as the General Partner.

	Notes	Unaudited 31 December 2023 R million	Unaudited 31 December 2022 R million	Audited 30 June 2023 R million
The movement of the investment in the ARC Fund at FVTPL* are as follows:				
Opening balance		15 364	13 269	13 269
Return of Capital by ARC Fund**		–	(20)	(20)
Fair value movements on the investment in the ARC Fund at FVTPL*	4.2	775	138	2 115
Total		16 139	13 387	15 364
Valuation information:				
IFRS 13 fair value hierarchy		Level 3	Level 3	Level 3
Valuation methodology		Sum of the parts	Sum of the parts	Sum of the parts

* FVTPL: Fair value through profit or loss.

** The amount was paid out of the contributed capital and it was treated as a reduction in the investment.

REALISATION AND DERECOGNITION

Accounting policies

The Company applies the derecognition principles in IFRS 9, Financial Instruments, and derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, it recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, it continues to recognise the financial asset and also recognises a secured borrowing for the proceeds received.

Company context in application of accounting policies

The strategic objective of the Company is to not declare any dividends in the short to medium term (refer to Note 8).

The Company's partnership profit share in the ARC Fund for the financial period is not as a result of a return of capital but rather the fair value movements of the Portfolio Companies in the ARC Fund and is thus unrealised. The Company has therefore adopted a policy whereby unrealised profits of this nature are transferred to the fair value reserve. In the event of a return of capital by the ARC Fund, these would be realised and accordingly transferred from the fair value reserve to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

5.1 DIVERSIFIED INVESTMENTS PORTFOLIO VALUATION INPUTS

The significant Investment Portfolio Companies, being those with a fair value of 2% and at least the largest investments, or more of the Diversified Investments Portfolio are presented below along with the key valuation inputs and other relevant information. The tables below are presented in IFRS and Intrinsic for unlisted companies and Intrinsic for listed companies. Key inputs that drive the ARC Fund valuation of the portfolio assets were identified and sensitivities tested as demonstrated below.

	TELECOMMUNICATIONS	
Details of valuation inputs	Rain	
R million	31 December 2023	30 June 2023
% equity held by Fund	20.8%	20.3%
% equity held by ARC Group	20.8%	20.3%
Gross investment	6 294	5 900
Minority discount	12.5%	12.5%
Marketability discount (considers BEE where applicable)	12.5%	12.5%
Net investment	4 819	4 516
Loans and other investments	-	-
Total intrinsic value of investment	4 819	4 516
Fair value adjustment	222	881
Valuation information:		
IFRS 13 fair value hierarchy	Level 3	
Valuation methodology	Five-year discounted cash flow with terminal value	
Portfolio entity disclosures:		
Sector grouping	Telecommunications	
Listed/Unlisted	Unlisted	
BEE lock-in period	Implied BEE requirements already considered in normal discounts	
Assumptions and sensitivities		
Key inputs:		
Input 1	WACC	
Input variable	17.9%	19.1%
Input 2	Terminal growth rate	
Input variable	3.5%	3.5%
Input 3	Target debt/equity ratio	
Input variable	40%	33%
Input 4	Recurring revenue	
Input variable	Various	Various
Sensitivity of key inputs:		
Input 1 variable	1% increase in WACC will result in a fair value decrease of R466 million, while a 1% decrease will result in a fair value increase of R539 million.	1% increase in WACC will result in a fair value decrease of R375 million, while a 1% decrease will result in a fair value increase of R430 million.
Input 2 variable	R335 million increase per 1% increase in terminal growth rate and R293 million decrease per 1% decrease in terminal growth rate.	R275 million per 1% increase in terminal growth rate and R240 million decrease per 1% decrease in terminal growth rate.
Input 3 variable	R79 million increase per 1% increase in debt/equity target and R78 million decrease per 1% decrease in debt/equity target.	R66 million increase per 1% increase in debt/equity target and R64 million decrease per 1% decrease in debt/equity target.
Input 4 variable	1% increase in recurring revenue will result in fair value increase of R205 million while a 1% decrease will result in R207 million decrease.	1% increase in recurring revenue will result in fair value increase of R137 million while a 1% decrease will result in R136 million decrease.

	MINING, CONSTRUCTION AND ENERGY	
	Kropz Group	
	31 December 2023	30 June 2023
	83.2%	83.2%
	83.2%	83.2%
	45	350
	-	-
	Various between 7% – 20%	Various between 7% – 20%
	36	310
	1 967	1 609
	2 003	1 919
	(295)	58
	Level 3	
	Sum of the parts (DCF and carrying value of loans) – 83.2% of Kropz Plc; 26% of Kropz Elandsfontein; 30% of Elandsfontein Land Holdings	
	Mining, Construction and Energy	
	Listed (trade on this entity has very low volumes and thus it has been classified as level 3 instead of level 1)	
	Implied BEE lock-in in Kropz Elandsfontein as part of the current mining licence equates to 10 years	
	Commodity price	Commodity price
	\$/t FOB 174 (weighted average life of mine)	\$/t FOB 172 (weighted average life of mine)
	USD: ZAR rate	USD: ZAR rate
	R/\$ spot 18.58 and forward rate based on 2.35% inflation differential	R/\$ spot 18.19 and forward rate based on 2.35% inflation differential
	WACC	WACC
	22.6%	24.0%
	R1 129 million decrease in fair value per 10% reduction in commodity prices and R1 492 million fair value increase per 10% increase in commodity prices.	R1 060 million decrease in fair value per 10% reduction in commodity prices and R1 243 million fair value increase per 10% increase in commodity prices.
	R147 million decrease in fair value per 5% strengthening of the rand and R311 million increase in fair value per 5% weakening of the Rand.	R196 million decrease in fair value per 5% strengthening of the rand and R315 million increase in fair value per 5% weakening of the Rand.
	A 1% increase in WACC will result in a decrease in fair value of R305 million. A 1% decrease in WACC will result in an increase in fair value of R376 million.	A 1% increase in WACC will result in a decrease in fair value of R256 million. A 1% decrease in WACC will result in an increase in fair value of R314 million.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

5.1 DIVERSIFIED INVESTMENTS PORTFOLIO VALUATION INPUTS *continued*

	BUSINESS PROCESS OUTSOURCING			
Details of valuation inputs	Bluespec		Linebooker	
	31 December 2023	30 June 2023	31 December 2023	30 June 2023
R million				
% equity held by Fund	24.8%	24.8%	73.8%	74.9%
% equity held by ARC Group	24.8%	24.8%	73.8%	74.9%
Gross investment	714	699	400	395
Minority discount	14.1% - 19.0%	14.1%	-	-
Marketability discount (considers BEE where applicable)	15.1% - 17.0%	14.2%	10%	10%
Net investment	515	515	360	355
Loans and other investments	-	-	-	-
Total intrinsic value of investment	515	515	360	355
Fair value adjustment	-	39	5	62
Valuation information:				
IFRS 13 fair value hierarchy	Level 3	Level 3		Level 3
Valuation methodology	Sum of the Part valuation	PE Multiple	Ten-year discounted cash flow with terminal value	
Portfolio entity disclosures:				
Sector grouping	Business Process Outsourcing		Business Process Outsourcing	
Listed/Unlisted	Unlisted		Unlisted	
BEE lock-in period	Not applicable		Not applicable	
Assumptions and sensitivities				
Key inputs:				
Input 1	PE Multiple	PE Multiple	WACC	
Input 1 variable	8x	8x	22.5%	22.8%
Input 2	Earnings	Earnings	Terminal growth rate	
Input 2 variable			5.5%	5.5%
Sensitivity of key inputs:				
Input 1 variable	An increase of 1x in the PE multiple results in a R95 million increase in the fair value (post the discounts) and 1x decrease in the PE multiple results in a R16 million decrease in the fair values (post the discounts).	An increase of 1x in the PE multiple results in a R95 million increase in the fair value (post the discounts) and 1x decrease in the PE multiple results in a R16 million decrease in the fair values (post the discounts).	1% increase in WACC will result in a fair value decrease of R26 million, while a 1% decrease will result in a fair value increase of R30 million.	1% increase in WACC will result in a fair value decrease of R27 million, while a 1% decrease will result in a fair value increase of R32 million.
Input 2 variable	An increase of 10% in the net earnings level results in a R84 million increase in the fair value (post the discounts) and decrease of 10% in the net earnings level results in a R5 million decrease in the fair value (post the discounts)	An increase of 10% in the net earnings level results in a R84 million increase in the fair value (post the discounts) and decrease of 10% in the net earnings level results in a R5 million decrease in the fair value (post the discounts)	R11 million increase per 1% increase in terminal growth rate and R10 million decrease per 1% decrease in terminal growth rate.	R11 million increase per 1% increase in terminal growth rate and R9 million decrease per 1% decrease in terminal growth rate.

* The investment was sold. The remaining value is the value of the deferred balance.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

5.1 DIVERSIFIED INVESTMENTS PORTFOLIO VALUATION INPUTS *continued*

	AGRICULTURE	
Details of valuation inputs	RSA	
R million	31 December 2023	30 June 2023
% equity held by Fund	54.9%	56.6%
% equity held by ARC Group	54.9%	56.6%
30-day VWAP	-	-
Spot price	-	-
Gross investment	441	432
Minority discount	11.2%	14.6%
Marketability discount (considers BEE where applicable)	10.1 % - 13.1%	14.2%
Net investment	349	373
Loans and other investments	-	-
Total intrinsic value of investment	349	373
Fair value adjustment	(45)	232
Valuation information:		
IFRS 13 fair value hierarchy	Level 3	
Valuation methodology	PE Multiple	
Portfolio entity disclosures:		
Sector grouping	Agriculture	
Listed/Unlisted	Unlisted	
BEE lock-in period	None	
Assumptions and sensitivities	Assumptions and sensitivities	
Key inputs:		
Input 1	PE Multiple	PE Multiple
Input 1 variable	7.0x	7.0x
Input 2	Earnings	Earnings
Input 2 variable	-	-
Sensitivity of key inputs:		
Input 1 variable	An increase of 1x in the PE multiple results in a R48 million increase in the fair value of ARC equity investment (post the discounts) and 1x decrease in the PE multiple results in a R48 million decrease in the fair value of ARC equity investment (post the discounts).	An increase of 1x in the PE multiple results in a R52 million increase in the fair value of ARC equity investment (post the discounts) and 1x decrease in the PE multiple results in a R52 million decrease in the fair value of ARC equity investment (post the discounts).
Input 2 variable	An increase of 10% in the net earnings level results in a R34 million increase in the fair value of ARC equity investment (post the discounts) and decrease of 10% in the net earnings level results in a R34 million decrease in the fair value of ARC equity investment (post the discounts)	An increase of 10% in the net earnings level results in a R37 million increase in the fair value of ARC equity investment (post the discounts) and decrease of 10% in the net earnings level results in a R37 million decrease in the fair value of ARC equity investment (post the discounts)

DIVERSIFIED FINANCIALS	
ARCI Limited shares	
31 December 2023	30 June 2023
5.8%	5.9%
5.8%	5.9%
4.82	6.45
4.89	6.50
423	508
-	-
-	-
423	508
-	-
423	508
(129)	8
	Level 1
	Listed share prices
	Diversified Financials
	Listed
	None
	Assumptions and sensitivities
	Not applicable

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

5.1 DIVERSIFIED INVESTMENTS PORTFOLIO VALUATION INPUTS *continued*

Details of valuation inputs	DIVERSIFIED FINANCIALS				
	ARCH Emerging Markets Fund of Funds		Fledge Capital Investments *		
	R million	31 December 2023	30 June 2023	31 December 2023	30 June 2023
% equity held by Fund		49.0%	49.0%	51.0%	51.0%
% equity held by ARC Group		49.0%	49.0%	51.0%	51.0%
Gross equity investment		537	528	614	583
Minority discount		–	–	0.0 - 12.5%	–
Marketability discount (considers BEE where applicable)		–	–	10.0% - 12.5%	Considered at individual investment level
Net equity investment		537	528	584	583
Loans and other investments		106	92	–	–
Total intrinsic value of investment		643	620	584	583
Fair value adjustment		2	26	1	97
Valuation information:					
IFRS 13 fair value hierarchy		Level 3	Level 3	Level 3	Level 3
Valuation methodology		Net Asset Value	Net Asset Value	Sum of the parts/ Underwritten value	
Portfolio entity disclosures:					
Sector grouping		Diversified Financials		Diversified Financials	
Listed/Unlisted		Unlisted		Unlisted	
BEE lock-in period		None		None	
Assumptions and sensitivities					
Key inputs:					
Input 1		USD: ZAR rate	USD: ZAR rate		–
Input 1 variable		R/\$ spot 18.58	R/\$ spot 18.92		–
Sensitivity of key inputs:		Sensitivity of key inputs: 1% change in USD will result in 1% change in value	Sensitivity of key inputs: 1% change in USD will result in 1% change in value		–

* No material sensitivities as the majority of the investments within Fledge Capital Investments are currently valued at cost.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

5.2 FINANCIAL SERVICES PORTFOLIO VALUATION INPUTS

The significant investment portfolio companies, being those that contribute 2% to the ARC Fund's value are presented below along with the key valuation inputs and other relevant information. The tables below are presented in IFRS and Intrinsic for unlisted companies and Intrinsic for listed companies. Key inputs that drive the ARC Fund valuation of the portfolio assets were identified and sensitivities tested as demonstrated below.

Details of valuation inputs R million	INSURANCE AND ASSET MANAGEMENT			
	Alexforbes		Sanlam Third-party Asset Management (Pty) Ltd	
	31 December 2023	30 June 2023	31 December 2023	30 June 2023
% equity held by Fund	15.8%	15.8%	9.4%	9.4%
% equity held by ARC Group	42.3%	42.3%	25.0%	25.0%
30-day VWAP	5.97	5.35	-	-
Spot price	6.60	5.66	-	-
Gross equity investment	1 165	1 130	433	381
Control premium	-	20.0%	20.0%	20.0%
Marketability discount (considers BEE where applicable)	-	-	15.0%	15.0%
Minority	-	10.0%	15.0%	15.0%
Net equity investment before deferred tax	-	-	375	-
Deferred tax	-	-	(14)	-
Net equity investment after deferred tax	1 165	1 139	361	364
Loans and other investments	-	-	-	-
Total intrinsic value of investment	1 165	1 139	361*	364*
Fair value adjustment (net of deferred tax)	26	176	(3)	51
Valuation information:				
IFRS 13 fair value hierarchy	Level 1	Level 1	Level 3	Level 3
Valuation methodology	Listed share prices	Listed share prices	PE multiple	PE multiple
Portfolio entity disclosures:				
Sector grouping	Insurance and Asset Management		Insurance and Asset Management	
Listed/Unlisted	Listed		Unlisted	
BEE lock-in period	None		None	
Assumptions and sensitivities				
Key inputs:	Not applicable			
Input 1				
Input variable				
Sensitivity of key inputs:				
Input 1 variable			PE Multiple	PE Multiple
			7.0x	7.68x
			10% increase in PE multiple will result in an increase of R33 million in fair value. 10% decrease in PE multiple will result in a decrease of R33 million in fair value.	10% increase in PE multiple will result in an increase of R34 million in fair value. 10% decrease in PE multiple will result in a decrease of R34 million in fair value.

* The value includes dividends declared before the financial period end but paid after the financial period end.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

5.2 FINANCIAL SERVICES PORTFOLIO VALUATION INPUTS *continued*

Details of valuation inputs	INSURANCE AND ASSET MANAGEMENT			
	Rand Mutual Holdings *		Capital Legacy	
	31 December 2023	30 June 2023	31 December 2023	30 June 2023
R million				
% equity held by Fund	-	-	9.3%	10.9%
% equity held by ARC Group	-	-	24.8%	29.1%
Gross equity investment	-	-	524	482
Minority discount	-	-	7.5%	10.0%
Marketability discount (considers BEE where applicable)	-	-	10.0%	10.0%
Net equity investment before deferred tax	-	-	436	-
Deferred tax	-	-	(40)	-
Net equity investment	-	-	396	363
Loans and other investments	-	-	82	75
Total intrinsic value of investment	-	-	478	437
Fair value adjustment net of deferred tax	-	13	41	74
Valuation information:	-			
IFRS 13 fair value hierarchy	-	Level 3	Level 3	Level 3
Valuation methodology	-	-	Embedded value	
Portfolio entity disclosures:	-			
Sector grouping	Insurance and Asset Management		Insurance and Asset Management	
Listed/Unlisted	Unlisted		Unlisted	
BEE lock-in period	None		None	
Assumptions and sensitivities				
Key inputs:	-	-	-	-
Input 1	-	-	Value of New Business	Value of New Business
Input variable 1	-	-	+1%	+1%
Input 2	-	-	-	-
Input variable 2	-	-	-	-
Sensitivity of key inputs:	-	-		
Input 1	-	-	VNB multiple	VNB multiple
Input variable 1	-	-	R2.7 million increase (decrease) in fair value per 1% increase in VNB multiple	R2.6 million increase (decrease) in fair value per 1% increase in VNB multiple
Input 2	-	-	-	-
Input variable 2	-	-	-	-

* ARC FSI sold all of its shares in Rand Mutual Holdings during the current reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

5.3 TYME GROUP

Investments in Tyme Group is held directly by the ARC Fund and indirectly through ARC Financial Services.

	BANKING	
	2023	2023
Details of valuation inputs	Tyme Group (TymeBank and Tyme Global)	Tyme SA Holdings (TymeBank)
R million	31 December 2023 *	30 June 2023 *
% of effective equity held by ARC Fund in Tyme Group	25.1%	25.1%
% of effective equity held by ARC Group in Tyme Group	50.2%	50.2%
Gross equity investment	3 987	3 102
Minority discount	Already considered in recent transaction value	Already considered in recent transaction value
Marketability discount (considers BEE where applicable)	Implicitly considered in recent transaction price	Implicitly considered in recent transaction price
Net equity investment	3 987	3 102
Loans and other investments	–	–
Total intrinsic value of investment	3 987	3 102
Fair value adjustment (net of deferred tax)	791	496
Valuation information:		
IFRS 13 fair value hierarchy	Level 3	Level 3
Valuation methodology	Recent transaction **	Recent transaction **
Portfolio entity disclosures:		
Sector grouping		Banking
Listed/Unlisted		Unlisted
BEE lock-in period		None
Other details		
Assumptions and sensitivities		
Key inputs:		
Input 1	Not applicable	
Input variable 1		
Input 2		
Input variable 2		
Sensitivity of key inputs		
Input 1		
Input variable		
Input 2		
Input variable 2		

* Tyme Group comprise of TymeBank and Tyme Asia Holdings

** The valuation was based on the recently closed series C.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

6. OTHER EXPENSES

Notes	Unaudited 31 December 2023 R million	Unaudited 31 December 2022 R million	Audited 30 June 2023 R million
Details of other expenses are as follows:			
Listing costs	–	–	1
Audit fees	–	–	1
Directors fees	1	1	2
Other expenses	4	3	5
	5	4	9

7. CAPITAL

7.1 Stated capital

Accounting Policy

Ordinary shares are classified as equity

Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

	Unaudited 31 December 2023 R million	Unaudited 31 December 2022 R million	Audited 30 June 2023 R million
ARC Investments has the following categories of share capital:			
Category	Rights		
Ordinary shares	Participating share with voting rights.		
B shares	Non-participating non-voting share except if as at any ordinary shareholder record date an appointed B-BBEE Rating Agent determines that ownership of ordinary shares by Black People as defined in the B-BBEE Codes, as determined using the flow-through principle in accordance with the B-BBEE Codes, is less than 51%; and that ARC as the holder of the B share holds at least 26.1% of the ordinary shares of the Company and, since the issue of these shares, the holding percentage has never dropped below 26.1%.		
C shares	Non-participating, non-voting shares with automatic conversion based on the terms of the Performance Participation (refer note 9 below).		
In terms of the Mauritius Companies Act 2001, as amended, the Company is not required to have authorised share capital. All the Company's classes of shares are of no par value and, accordingly, the Company does not have a share premium account.			

7. CAPITAL continued

7.1 Stated capital continued

Notes	Unaudited 31 December 2023 R million	Unaudited 31 December 2022 R million	Audited 30 June 2023 R million
Issued (fully paid up) share capital			
Ordinary shares			
- 100 Ordinary shares of no-par value issued at incorporation at USD1 per share (translated at R12.91) ¹ .	–	–	–
- 526 588 235 shares issued to ARC Proprietary Limited under an asset-for-share sale transaction.	4 563	4 563	4 563
- 505 882 353 shares issued at listing date at R8.50 per share.	4 300	4 300	4 300
- Share issue costs.	(31)	(31)	(31)
- Conversion of 12 577 126 C shares for financial year ended 2018 Performance Participation	71	71	71
- 272 727 273 shares issued at R2.75	750	750	750
- Conversion of 27 059 992 C shares for financial year ended 30 June 2022 Performance Participation	272	272	272
- Conversion of 10 694 573 C shares for financial year ended 30 June 2022 Performance Participation.	122	–	–
- 150 000 000 shares issued at R5.00.	750	–	–
Total issued share capital at the end of the year	10 797	9 925	9 925
B share			
1 share issued to ARC Proprietary Limited at a nominal value of R1. B shares are not listed.	–	–	–
C shares			
Five billion C shares were issued to UBI Proprietary Limited (UBI) at listing at a nominal value of R1 for the purposes of the Performance Participation, which in accordance with their rights and terms, are convertible into ordinary shares, at no consideration. As at 31 December 2023, 50 331 691 C shares were converted into A ordinary shares. At 31 December 2023, 4 949 668 309 C shares were outstanding.	–	–	–
C shares are not listed. 10 694 573 Performance Participation shares will be issued to UBI after the approval of the fee.			
Basic earnings per ordinary share (cents)	51	10	148
Diluted earnings per ordinary share (cents)	51	10	146
Headline earnings per ordinary share (cents)	51	10	148
Diluted headline earnings per ordinary share (cents)	51	10	146

¹ The amount is less than R1 million and is rounded to Rnil.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

7. CAPITAL continued

7.2 Earnings per share

	Unaudited 31 December 2023 R million	Unaudited 31 December 2022 R million	Audited 30 June 2023 R million
7.2.1 Reconciliation of reported earnings to headline earnings			
Earnings/Headline earnings of the Company (R million)	771	1 345	1 985
There were no items that require adjustment from the reported earnings in terms of SAICA Circular 1/2023, Headline Earnings.			
7.2.2 Number of ordinary shares			
Number of ordinary shares (million):			
Number of shares in issue at the end of the year/period (million)	1 506	1 345	1 345
Weighted average number of shares in issue during the year/period (million)	1 358	1 345	1 333
Diluted weighted average number of shares in issue during the year/period (million)	1 358	1 345	1 345
Diluted number of shares at the end of the year/period (million)	1 506	1 345	1 357
Shares issued at listing: 1 032 470 588			
Additional shares issued 11 December 2018: 12 577 126			
Additional shares issued in October 2020: 272 727 273			
Additional shares issued in December 2022: 27 059 992			
Additional shares issued in October and December 2023: 160 694 573			

8. DIVIDENDS AND DIVIDEND POLICY

Accounting Policy

Company strategic objective

The Company is a capital-pooling and investment holding company structured to offer its shareholders long-term capital appreciation through the growth in the NAV of its underlying investment in the ARC Fund. As such, ARC Investments does not currently intend to pay dividends on the ordinary shares but may choose to pay dividends, including special dividends, at some point in the future when it is appropriate to do so.

Dividends

The Company's ability to pay dividends is a function of the return of capital by the ARC Fund, which is not anticipated in the short term and over which the Company has no control. Furthermore, the current intention of the General Partner is that cash raised by the ARC Fund through realisations and distributions received from Portfolio Companies will generally be utilised for new investment opportunities.

If the Company receives the proceeds of realisations or distributions by underlying Portfolio Companies from the ARC Fund and chooses to pay dividends, the Board anticipates declaring and paying a final dividend only. The Board may, however, resolve to declare and pay interim dividends on the ordinary shares. The payment of a dividend will be subject to the Company's constitutional documents and applicable laws and regulations and the reasonably foreseeable obligations of the Company and will require the approval of the Board. The dividends that are envisaged would primarily be paid from distributions received by the ARC Fund from the Portfolio Companies and proceeds arising from the disposal of underlying investments by the ARC Fund, which are distributed to the Company as returns of capital by the ARC Fund.

9. PERFORMANCE PARTICIPATION EXPENSE

Accounting Policy

The Performance Participation is an equity-settled share-based payment accounted for in accordance with the provisions of IFRS 2, Share-based Payments. The share-based payment expense is recognised in profit or loss and the reserve in the statement of changes in equity as a separate reserve.

Company Context in Application of Accounting Policy

As detailed in Note 7.1, the Company has issued 5 billion C shares to UBI through a subscription agreement signed on 14 August 2017 for purposes of the Performance Participation, which in accordance with their rights and terms, are convertible into ordinary shares at no consideration.

Grant date:	14 August 2017
Grant price:	R1 for the full 5 billion shares
Performance hurdle:	10% hurdle return on intrinsic portfolio value
Participation percentage:	The C shareholders will share in 16% of the growth in ARCI NAV above the 10% hurdle.
Performance period:	Each annual financial year of the Company commencing 1 July and ending 30 June.
Conversion date:	No more than 10 business days (excluding weekends) from the date the Board approves the calculation of the Performance Participation, which will normally be the date of approval of the Audited Annual Financial Statements of the Company.
C shares conversion formula:	The holders are entitled to convert their C shares, each financial year if the performance hurdle is achieved for a particular year.

	Unaudited 31 December 2023 R million	Unaudited 31 December 2022 R million	Audited 30 June 2023 R million
The Performance Participation relates to the investment services rendered by UBI GP, a wholly owned subsidiary of UBI, to the ARC Fund which drives the IPV. The Performance Participation hurdle has not been met in the current reporting period. Consequently, no provision has been recognised for the issue of Performance Participation shares.	–	–	122
Five billion C shares were issued to UBI at listing at a nominal value of R1 for the purposes of the Performance Participation, which in accordance with their rights and terms, are convertible into ordinary shares, at no consideration. As at 31 December 2023, 50 331 691 C shares were converted into A ordinary shares. At 31 December 2023, 4 949 668 309 C shares were outstanding.			
The Performance participation is based on non-market conditions			
Total Performance Participation expense	–	–	122

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

10. TAXATION

Accounting Policy

Normal income taxation and deferred taxation are recognised using the taxation rates and taxation laws that have been enacted or substantively enacted by the end of the year in accordance with the recognition and measurement principles in *IAS 12, Taxes*.

Company Context in Application of Accounting Policies

The Company holds a Global Business Licence for the purpose of the Mauritian Financial Services Act 2007. It was registered in Mauritius as a private Company limited by shares on 30 June 2017 and converted to a public Company on 2 August 2017. The Company received its Global Business Licence ("GBL1") before 16 October 2017 and was grandfathered up to 30 June 2021. As from 1 July 2021 the Company's GBL1 Licence was automatically converted to a Global Business Licence.

During the grandfathered period, it was liable for income taxation at a rate of 15%. However, the Company was entitled to a taxation credit equivalent to the higher of the actual foreign taxation incurred and 80% of the Mauritian taxation on its foreign source income. The maximum effective tax rate was 3%.

On 1 July 2021, under the new regime, the Company is now able to claim an 80% exemption on specified income (including foreign dividends and interest), subject to meeting predefined substance conditions. Other types of income not falling within the categories of income benefiting from the exemption are taxed at 15%.

The foregoing is based on current interpretation and practice and is subject to any future changes in Mauritian taxation laws.

	Unaudited 31 December 2023 R million	Unaudited 31 December 2022 R million	Audited 30 June 2023 R million
Losses carried forward amounting to R90 million at 31 December 2023 (30 June 2023: R101 million). Mauritian taxation regulations permit the carry-forward of unused taxation losses for a maximum period of 5 years from the date they arose. The accumulated taxation losses are available for set-off against future taxable income as follows:			
Arising in Financial year 2020, carried forward up to 2025 financial year	–	43	43
Arising in Financial year 2021, carried forward up to 2026 financial year	–	57	57
Arising in Financial year 2022, carried forward up to 2027 financial year	101	103	121
Opening balance of losses at the end of the year/period	101	203	203
Losses utilised during the current financial year/period	(11)	(37)	(96)
Overprovision of losses in the prior financial year/period	–	(6)	(6)
Losses carried forward at the end of the reporting year/period	90	160	101
The taxation is reflected at a statutory rate of 15%			
Profit before taxation	771	134	1 985
Taxation at a statutory effective rate of 15% before foreign taxation credit	116	20	298
Tax reconciled	(116)	(20)	(298)
Income not subject to tax	(110)	2	(256)
Withholding tax gross up	–	–	1
Partial exemption on income	(21)	(28)	(55)
Expenses attributable to exempt income	17	12	26
Tax losses utilised	(2)	(6)	(14)
Effective income tax	–	–	–

No deferred tax asset was realised in respect of the tax losses incurred up to 31 December 2023, as the Directors had determined that it was not probable that the Company would generate sufficient taxable profits in the foreseeable future. However, the Company has made a profit during the current year which has resulted in the utilisation of the carried forward losses of R11 million against these profits.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

11. RECONCILIATION OF CASH UTILISED IN OPERATIONS BEFORE INVESTMENTS MADE

	Notes	Unaudited 31 December 2023 R million	Unaudited 31 December 2022 R million	Audited 30 June 2023 R million
Profit before taxation		771	134	1 986
Adjustment for non-cash items		(775)	(138)	(1 993)
Fair value movements on the investment in the ARC Fund at FVTPL*	4.2	(775)	(138)	(2 115)
Performance Participation expense		–	–	122
Working capital movements		1	(1)	–
Increase/(decrease) in trade and other payables		1	(1)	–
Cash utilised in operations before investment activities		(3)	(5)	(8)

* FVTPL: Fair value through profit or loss

12. FINANCIAL INSTRUMENTS

12.1 Financial instruments in the Company are categorised as follows:

R million	31 December 2023			
	Financial asset at fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Financial assets	16 139	768	–	16 907
Investment in the ARC Fund at FVTPL	16 139	–	–	16 139
Current financial assets at amortised cost	–	750	–	750
Cash and cash equivalents *	–	18	–	18
Financial liabilities	–	–	3	3
Trade and other payables *	–	–	3	3

R million	31 December 2022			
	Financial asset at fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Financial assets	13 387	24	–	13 411
Investment in the ARC Fund at FVTPL	13 387	–	–	13 387
Cash and cash equivalents *	–	24	–	24
Financial liabilities	–	–	1	1
Trade and other payables *	–	–	1	1

R million	30 June 2023			
	Financial asset at fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Financial assets	15 364	21	–	15 385
Investment in the ARC Fund at FVTPL	15 364	–	–	15 364
Cash and cash equivalents *	–	21	–	21
Financial liabilities	–	–	2	2
Trade and other payables *	–	–	2	2

* The carrying amount is a reasonable approximation of fair value

12.2 Risk management

The Company's exposure to market risks is predominantly through its investment in the ARC Fund. The Board of the General Partner, through its Investment Committee, reviews the ARC Fund policies for managing all market risks that the financial instruments within the ARC Fund are exposed to. The Directors of the Company manage the Company's exposure to market risks as indicated below.

12.2.1 Market risks

Equity price risk

The Company's interest in the ARC Fund is deployed in equity instruments which comprises (88% at 31 December 2023; 89% at 30 June 2023) of the total net asset value. The Company is exposed to equity price risk through the valuation of the underlying Portfolio Investments held by the ARC Fund. The fair value of these investments is derived through the valuations disclosed in the Segmental information. The valuations of the underlying portfolio companies are done half-yearly, and the Company's Board has access to the valuation information to monitor and review the fair value of the investments.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

12. FINANCIAL INSTRUMENTS

12.1 Financial instruments in the Company are categorised as follows:

	Unaudited 31 December 2023 R million	Unaudited 31 December 2022 R million	Audited 30 June 2023 R million
Change in portfolio equity prices			
+5%	16 471	13 239	15 301
Equity component being 88% (30 June 2023: 89%) of Reported IFRS Portfolio Value	15 686	12 608	14 572
- 5%	14 902	11 978	13 843
Interest rate risk			
The Company is mainly exposed to interest rate risk through its investment in the ARC Fund which has interest-bearing loan assets, cash, preference shares and debts. The interest rate risk exposure to the Company's own cash is immaterial. The Board of the General Partner, through its Investment Committee, reviews the ARC Fund policies for managing interest rate risk that the financial instruments within the ARC Fund are exposed to.			
Cash, preference shares and loans in the Fund amounted to R2 356 million (30 June 2023: R2 176 million).			
Change in interest rates			
+ 100 basis points	2 379	2 181	2 197
Interest-bearing loan assets and cash	2 356	2 160	2 176
- 100 basis points	2 332	2 138	2 154
Portfolio debt amounted to R1 775 million (30 June 2023: R1 473 million)			
Change in interest rates - annualised			
+ 100 basis points	(1 793)	(1 410)	(1 488)
Interest-bearing loan assets and cash	(1 775)	(1 396)	(1 473)
- 100 basis points	(1 757)	(1 382)	(1 458)

*The carrying amount is a reasonable approximation of fair value

12.2.2 Other risks

Currency risk

The Company's exposure to currency risk is primarily through its investment in the ARC Fund. The portfolio interests of the ARC Fund are predominantly denominated in ZAR, with 15.1% (30 June 2023: 15.9%) denominated in foreign currency. The largest exposure to currency risk results from the British Pound (GBP) and United States Dollar (USD) mainly through investments in Kropz Group, Majik and ARCH Emerging markets. The Board of the General Partner continually monitors the exposure to currency risk through the Investment Committee of the Fund Manager.

The Company's exposure to foreign currency is shown in the table below:

	31 December 2023		31 December 2022		30 June 2023	
	Currency value million	SA Rand R million	Currency value million	SA Rand R million	Currency value million	SA Rand R million
British Pound	2	45	4	77	3	70
United States Dollar	142	2 646	108	1 833	134	2 666
		2 691		1 910		2 736
Impact of 5% (2022: 1%) change in GBP rate		2		1		3
Impact of 5% (2022: 1%) change in USD rate		132		18		127

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

12.2.2 Other risks

Credit risk

The Company is exposed to credit risk through the ARC Fund portfolio and the counterparties of the financial instruments in the portfolio. 13% of the ARC Fund portfolio is exposed to credit risk. The diversity of the portfolio mitigates concentration of credit risk. The Fund Manager assessed each of the investments against the investment guidelines, reviews and due diligence. The Investment Committee, which consists of highly experienced members, ensures the Company effectively manages exposure to credit risk. On a half-yearly basis, the Board of the General Partner receives detailed reports and updates from the Fund Manager to enable it to monitor the performance of the underlying investments.

The impact of expected credit losses on assets held at amortised cost is immaterial since it relates to cash, and cash equivalents held at reputable financial institutions with a lowest credit rating of Ba2 resulting in the probability of default being minimal. In addition, trade and other receivables are immaterial.

Liquidity risk

The Company is exposed to liquidity risk through the ARC Fund's portfolio debt.

The ARC Fund raised a R1 billion revolving credit facility from RMB during January 2020. The facility was amended and increased to R1 500 million during June 2023. The Credit Facility with RMB bears interest at three-month JIBAR plus 3.25% and matures during June 2026. The facility was fully drawn at the end of the current reporting period. During the period under review, the ARC Fund complied with the relevant covenants of the facility.

In terms of the Security Cession and Pledge agreement concluded with RMB, the ARC Fund investments in the following companies have been pledged:

Investee company	Fair value at 31 December 2023 R million	Fair value at 31 December 2022 R million	Fair value at 30 June 2023 R million
Acorn Agri and Food	235	158	215
Fledge Capital Investments	584	472	583
Rain	4 819	3 635	4 516
ARC FSH	5 983	4 219	5 078
	11 621	8 484	10 392

12.2.2 Other risks continued

Liquidity risk continued

The financial covenants related to the RMB credit facility require that the Net Asset Value, after the limitation of the value of Rain to 30% of the aggregate Intrinsic Value of the Investments, of the ARC Fund is greater than R7 500 million. The Net Asset Value of the ARC Fund at 31 December 2023 amounted to R16 026 million.

The Company is also exposed to the risk relating to the payment of trade and other payables, which at the reporting date were not significant. The adequacy of the working capital of the Company is assessed by the Board biannually.

13. RELATED PARTY DISCLOSURES

Accounting Policies

Related party transactions are transfers of resources, services or obligations between the Company and a related party (as identified below), regardless of whether a price is charged or not. They include commitments to do something if a particular event occurs (or does not occur) in the future and executory contracts (recognised or unrecognised). The Company has complied with the provisions of IAS 24, *Related Party Transactions*, in identifying, quantifying, and disclosing the information below.

Company Context in Application of Accounting Policies

The Company is listed on the JSE Limited and is 43.25% owned by African Rainbow Capital Proprietary Limited (ARC), which in turn is 100% owned by UBI. UBI effectively owns 54.36% of the Company. The ultimate majority shareholder of UBI is Ubuntu-Ubuntu Commercial Enterprises (Pty) Ltd, the shares of which are held by trusts, all of which, except The Motsepe Foundation, own those shares for the benefit of Dr PT Motsepe and his immediate family. The Motsepe Foundation applies the benefits of its indirect shareholding in ARC for philanthropic purposes. The Company has identified the following related party relationships and transactional terms that are relevant to the current year's financial statements and that are in the course of ordinary business:

Name	Relationship	Nature of transaction/terms
Companies:		
UBI	Intermediate holding company	- None
	Holder of the C shares for the Performance Participation	- Issue of the C shares (Note 7.1) - The Performance Participation (Note 9) - Conversion of 12 577 126 C shares into ordinary shares (Note 7.1)
ARC	Major shareholder	- Asset-for-share transaction prior to listing (Note 7.1)
	Holder of the B share	- Issue of the B share (Note 7.1)
The ARC Fund	South African <i>en commandite</i> Partnership at a partnership interest of 99.95%.	- Contribution of Portfolio Assets (Note 5) - Cash capital contribution (Note 5)
General Partner	General Partner in the ARC Fund	- 0.05% in the ARC Fund Capital and partnership profit share - Fund management fees (Note 4.2)

Name	Relationship	Nature of transaction/terms
Key management personnel:		
MC Olivier	Independent Non-executive Director and Chairman	Directors fees
A Currimjee	Independent Non-executive Director	Directors fees
C Msipha	Independent Non-executive Director	Directors fees
S Algoo-Bissonauth	Independent Non-executive Director	Rnil
R Mokate	Independent Non-executive Director	Directors fees
MR Nkadameng	Non-executive Director	Rnil
K Bodenstein	Chief Financial Officer	Executive salary

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

13. RELATED PARTY DISCLOSURES *continued*

	31 December 2023		31 December 2022		30 June 2023	
	Transactions during the six-months R million	Balance due from/ (to) as at 31 December 2023 R million	Transactions during the six-months R million	Balance due from/ (to) as at 31 December 2022 R million	Transactions during the year R million	Balance due from/ (to) as at 30 June 2023 R million
UBI						
Issue of A shares (Note 7.1) ¹	122	–	272	–	–	–
The ARC Fund	–	16 123	–	13 387	–	15 364
Investment in ARC Fund at FVTPL (Note 4.1)	775	16 123	138	13 387	–	15 364
General Partner					(98)	(61)
Fund management fees accrued for the year (Note 4.2)	(50)	(50)	(37)	(37)	(98)	(61)
Directors' interest ²						
Total Directors' interest - 365 882 (June 2023: 365 882) shares in the Company at a 0.028%						
MC Olivier - 305 882 (June 2023: 305 882) shares in the Company at a 0.020% (June 2023: 0.023%) interest	n/a	n/a	n/a	n/a	n/a	n/a
MR Nkadimeng – 66 639 (June 2023: 60 000) shares in the Company at a 0.004% (June 2023: 0.005%) interest	n/a	n/a	n/a	n/a	n/a	n/a
Key management personnel	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)
MC Olivier fees accrued	(0.2)	(0.4)	(0.2)	(0.4)	(0.4)	(0.4)
– fees paid to MC Olivier	–	0.2	–	0.2	0.2	0.2
C Msipha fees accrued	(0.2)	(0.4)	(0.2)	(0.4)	(0.4)	(0.4)
– fees paid to C Msipha	–	0.2	–	0.2	0.2	0.2
R Mokate fees accrued	(0.2)	(0.4)	(0.2)	(0.4)	(0.4)	(0.4)
– fees paid to R Mokate	–	0.2	–	0.2	0.2	0.2
A Currimjee fees accrued	(0.2)	(0.4)	(0.2)	(0.4)	(0.4)	(0.4)
– fees paid to A Currimjee	–	0.2	–	0.2	0.2	0.2
MIR Nkadimeng (paid by the holding company, ARC)	5.7	5.7	3.4	3.4	5	5
– Salary	(1.7)	(1.7)	(1.6)	(1.6)	(3)	(3)
– Short-term and long-term incentives	(4)	(4)	(1.8)	(1.8)	(2)	(2)
K Bodenstein executive salary accrued	(0.3)	(0.3)	(0.2)	(0.2)	(0.5)	(0.5)
– salary paid to K Bodenstein	0.3	0.3	0.2	0.2	0.5	0.5

¹ The amount is less than R 1 million and is rounded to Rnil. The amounts are disclosed as they are material in nature.

² The interest of the Directors remained unchanged from the end of the financial year to the date of this report.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2023

14. COMMITMENTS

As at the year ended 31 December 2023, the Company did not have any commitments.

ARC Fund commitments:

ARC Real Estate:

The ARC Fund has committed R500 million to ARC Real Estate to fund the acquisition of properties. No funds had been drawn at the reporting date. Any contributions are subject to approval by the UBI General Partner.

ARCH Emerging Markets Partners

The ARC Fund has committed USD50 million in emerging markets focused themes, including renewable energy power and cold chain storage solutions. At 31 December 2023, the ARC Fund had contributed USD35.5 million with a remaining commitment balance of USD14.5 million.

15. SUBSEQUENT EVENTS

Kropz Group

During January 2024, the ARC Fund advanced an additional R52.5 million loan from an existing loan facility to help fund operations at Elandsfontein.

ARCH Emerging Markets

During February 2024, the ARC Fund advanced a loan amount of USD5.1 million (approximately R96 million) to ARCH Emerging Markets.

16. GOING CONCERN

The financial statements were prepared on the going-concern basis. The assets of the Company, fairly valued, exceed its liabilities. The Directors are of the opinion that the Company will continue as a going concern based on forecasts and available cash and borrowing resources.

17. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

No standards that were effective during the year had an impact on the Company.

New standards issued but not yet effective or early adopted:

The following amendments to standards have been published and are deemed relevant to the Company, but are not yet effective and have also not been early adopted:

Standard, amendment or interpretation	Summary of expected impact	Effective for financial periods beginning on or after
Amendments to IAS 1, Presentation of financial statements on classification of liabilities.	Summary of amendment	1 January 2024
	These narrow-scope amendments to IAS 1 clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.	
	Summary impact on the Company	
	The Directors anticipate that these amendments will be applied in the financial statements for the period beginning 1 July 2024. It is expected that this amendment will have minimal impact.	

I - SHAREHOLDERS' DIARY

II - CORPORATE INFORMATION

The key dates to be noted by shareholders are as follows:

Details	Date
Interim results announcement	14 March 2024
Financial year end	30 June 2024
Year-end results announcement	September 2024
Integrated Annual Report published	October 2024
Annual General Meeting	November 2024

Contact Information	African Rainbow Capital Investments Limited (A Company registered and domiciled in the Republic of Mauritius) www.arci.mu
Registration number	C148430
JSE share code	AIL
A2X share code	AILJ
ISIN code	MU0553500000
Directors	Mark Cyril Olivier (Chairperson) Clive Msipha Dr Renosi Mokate Mmamodiane Refiloe Nkadimeng Anil Currimjee Smitha Algoo-Bissonauth
Executive Management	Karen Bodenstein (Chief Financial Officer)
Registered Address	Level 3, Alexander House, 35 Cybercity, Ebène, 72201, Mauritius Registered and incorporated as a private Company in Mauritius on 30 June 2017 and converted to a public Company on 2 August 2017.
Company Secretary	Intercontinental Trust Limited Company number: C23546 Level 3, Alexander House, 35 Cybercity, Ebène, 72201, Mauritius
Investor Relations	investors@arci.mu +230 (403) 0800 +27 (21) 180 0100 +27 (10) 900 0200
Sponsor	Deloitte & Touche Sponsor Services Proprietary Limited Registration number: 1996/000034/07 5 Magwa Crescent, Waterfall City, Gauteng, 2090
Transfer Secretaries	Computershare Investor Services Proprietary Limited Registration number 2004/003647/07 Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132) South Africa
Independent Auditors	PricewaterhouseCoopers PwC Centre, Avenue de Telfair, 80829, Moka, Republic of Mauritius PricewaterhouseCoopers Inc. Waterfall City, 4 Lisbon Lane, Jukskei View, Midrand, 2090, South Africa
Interim Financial Statements Compilation	Design of the ARC Investments Interim Financial Statements – Idea Exchange



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