



African Rainbow Capital Investments Limited

(Incorporated in the Republic of Mauritius)

(Company number: C148430)

JSE and A2X code: AIL ISIN: MU0553S00000

("ARC Investments" or "the Company")

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Capitalised words and terms contained in this announcement shall bear the same meanings ascribed thereto in the declaration data announcement released on SENS and A2X News Service on Tuesday, 15 September 2020 ("Declaration Announcement") and the finalisation announcement released on SENS and A2X News Service on Thursday, 17 September 2020 ("Finalisation Announcement").

ARC Investments shareholders are referred to the Company's Declaration Announcement and the Finalisation Announcement wherein shareholders were advised of ARC Investments' intention to raise ZAR750 million, less expenses of the Rights Offer of approximately ZAR3.5 million, through a fully committed and underwritten pro rata non-renounceable Rights Offer of 272 727 273 ARC Investments ordinary shares ("Rights Offer Shares") at a price of ZAR2.75 per Rights Offer Share ("Rights Offer Price"), in the ratio of 26.09711 Rights Offer Shares for every 100 existing ARC Investments ordinary shares held on the record date for the Rights Offer, being Friday, 25 September 2020.

Shareholders are advised that the Rights Offer circular has been made available on the Company's website at www.arci.mu, and has also been distributed to qualifying certificated shareholders today, 25 September 2020. Where applicable, the circular will be distributed to qualifying dematerialised shareholders on Monday, 28 September 2020. The salient dates and times of the Rights Offer remain unchanged from those published in the Declaration Announcement.

Further, Shareholders are referred to paragraph 3.7 of the circular, where the Company had set out the manner of settling the outstanding fund management fee pursuant to the implementation of the Rights Offer ("Set-off Arrangement"). Subsequent to the approval of the circular, the board of directors of ARC Investments has decided to cancel the Set-off Arrangement. The ARC Fund will therefore settle the fund management fee from internal cash resources. The purpose of the Rights Offer will therefore solely be to raise additional capital for ARC Investments to invest in the ARC Fund for use in its existing portfolio companies and for future acquisition opportunities, and none of the Rights Offer proceeds will be utilised for purposes of settling any fund management fees. The Financial Surveillance Department of the South African Reserve Bank, which provided its approval for the Set-off Arrangement, has been notified of the change.

Shareholders should please note that a typographical error in paragraph 3.7.1 of the Rights Offer circular incorrectly states that in terms of the partnership agreement of the ARC Fund, the outstanding fund management fee, if not paid on due date, accrues interest at the prime rate plus 5%. The correct percentage is the prime rate plus 2%, and there has thus been no change in this respect since the Company's pre-listing statement was issued on 28 August 2017. As stated in paragraph 3.7.4 of the Rights Offer circular, all accrued interest on the outstanding fund management fee will be waived. The error therefore has no impact on the Rights Offer.

Ebène, Mauritius (with simultaneous circulation in Johannesburg)

25 September 2020

Transaction Sponsor: Deloitte & Touche Sponsor Services Proprietary Limited

Corporate Advisor: Deloitte Capital (Pty) Limited

Legal adviser as to South African law: Webber Wentzel

Legal adviser as to Mauritian law: BLC Robert & Associates

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