

## PROPOSED INCREASED SHAREHOLDING IN ALEXANDER FORBES GROUP HOLDING LIMITED.

Shareholders are referred to the Stock Exchange News Service announcement released by Alexander Forbes Group Holdings Limited (“AFGH”) today, relating, inter alia, to a proposed shareholder reorganisation (“Shareholder Reorganisation”).

In terms of the Shareholder Reorganisation, ARC Financial Services Holdings Proprietary Limited (“ARC FS”) will acquire 193 000 000 AFGH ordinary shares from Mercer Africa Limited, at a price of 525c per share, for a total cash consideration of R1,013,250,000.

In order to facilitate the efficient implementation of the Shareholder Reorganisation, the Company and ARC FS have agreed to delay the proposed exchange of shares held by ARC FS in Alexander Forbes Limited for shares in AFGH (“Flip-up”). The Flip-up will be implemented on the earlier of the Takeover Regulation Panel granting all final approvals or exemptions required for the waiver of any obligation by ARC FS to extend a mandatory offer to the AFGH shareholders pursuant to implementation of the Flip-up. ARC FS will seek the required approval of AFGH shareholders for the waiver of any obligation to extend a mandatory offer, as the Company does not intend to take a controlling stake in AFGH at present.

The Shareholder Reorganisation and resultant increase in the shareholding of ARC FS in AFGH is in line with the Company’s stated strategy that AFGH is a key part of the Company’s financial services strategy going forward and the strategic opportunities it foresees.

Full details of the transaction are contained in AFGH announcement.

### Disclaimer

The financial information on which this announcement is based has not been reviewed or reported on by the Company’s external auditors. The Company will be reporting in more detail on its performance after the finalisation of the results for the half-year period to 31 December 2019, expected to be released on or about 19 March 2020.

Ebène, Mauritius (with simultaneous circulation in Johannesburg)

22 January 2020

### Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)