



ARC INVESTMENTS

Incorporated in the Republic of Mauritius

Company number: C148430

JSE share code: AIL

A2X share code: AIL

ISIN code: MU0553S00000

LEI: 378900F086B090C6FB94

The Interim Financial Statements

UNAUDITED INTERIM RESULTS

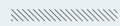
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2024

TABLE OF CONTENTS

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 2024 as presented to the shareholders. They were prepared under the supervision of Karen Bodenstein, Chief Financial Officer, B Compt (Accounting Science).

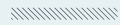
These Unaudited Interim Financial Statements have been prepared in compliance with the applicable requirements of the Mauritius Companies Act 2001 and the Johannesburg Stock Exchange (JSE) Listings Requirements.

PERFORMANCE REVIEW



- 3** Key Highlights
- 4** Commentary

CONDENSED STATEMENTS



- 14** Statement of Financial Position
- 14** Statement of Comprehensive Income
- 15** Statement of Changes in Equity
- 15** Statement of Cash Flows
- 16** Accounting Policies
- 18** Segmental Information
- 28** Notes to the Interim Financial Statements

APPENDICES: INFORMATION FOR SHAREHOLDERS



- 45** Appendix II - Shareholders' Diary
- 45** Appendix III - Corporate Information

KEY HIGHLIGHTS

For the six-months ended 31 December 2024

PORTFOLIO HIGHLIGHTS



Pleasant advances at several key investments:

- Rain - strong performance of rainOne and Rain mobile offerings
- TymeBank – 10.7 million customers and increased activity per customer
- Tyme Global – GOtyme customer base has more than doubled to 5 million
- Alexforbes – strong share price performance on the back of solid results and positive outlook
- Linebooker – several large industry-leading customers onboarded and impressive growth in revenue and profit
- Acorn Agri - right-sizing the portfolio and driving exits.



Collaboration within the financial services ecosystem:

Transactions with Sanlam

- Sanlam Life subscribing for ordinary shares in ARC FSH for a cash consideration of R2 413 million; and
- Sanlam Life disposing of its 25% interest in ARC Financial Services Investments Proprietary Limited (ARC FSI), for R1 492 million to ARC FSH, in exchange for ARC FSH ordinary shares of the same value.

FINANCIAL PERFORMANCE



Meaningful reduction in discount at which share price is trading



Intrinsic net asset value (INAV) increase of 4.1% at R19 385 million

(30 June 2024: R18 616 million)



INAV per share increased by 3.2% to R12.78

(30 June 2024: R12.38)



Cash in the ARC Fund increased to R575 million, as a result of the transactions with Sanlam

(30 June 2024: R163 million)



Debt in the fund reduced by 5% to R1 639 million, as a result of the transactions with Sanlam

(30 June 2024: R1 725 million)



R698 million additional investments as a result of the transactions with Sanlam:

- Investment in Kropz for R393 million
- Investment in ARC FSH of R233 million



Net revaluation of R840 million,

of which 32% relates to share price performance in ARC Investments and 42% relates to ARC FSH



Disposals and return of capital:

- Return of capital by ARC FSH of R1.6 billion to its shareholders and sale of Tyme Group asset by the ARC Fund to ARC FSH, for R517 million
- Sale of a portion of Val De Vie and agterskot received from Payprop

COMMENTARY

For the six-months ended 31 December 2024

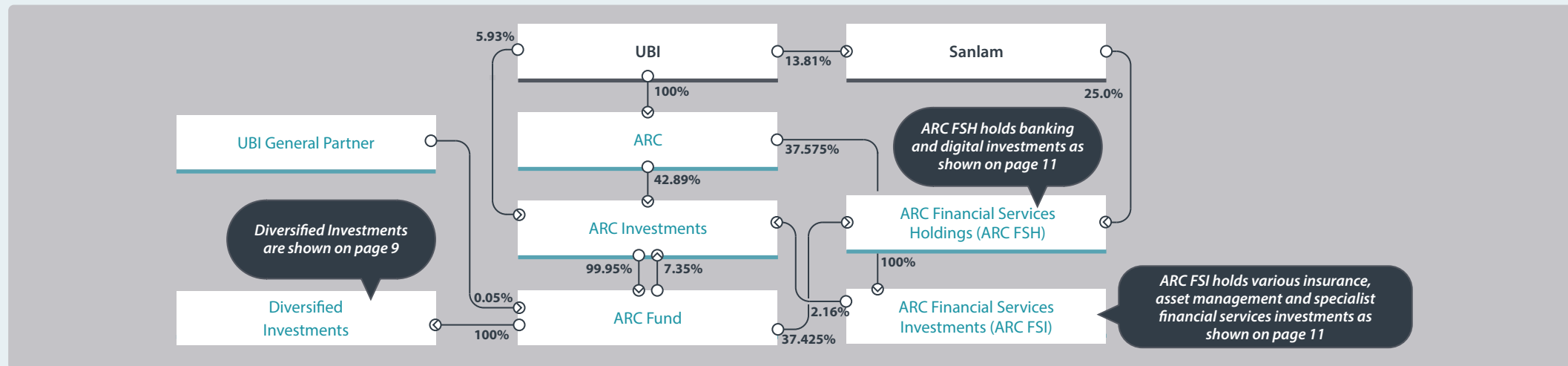
NATURE OF BUSINESS

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 42.89% owned by African Rainbow Capital Proprietary Limited (ARC), which in turn is 100% owned by Ubuntu-Botho Investments Proprietary Limited (UBI). UBI effectively owns 57% of ARC Investments. ARC Investments is an

investment holding entity that holds 99.95% of the ARC Fund, and 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 appear on our website at www.arci.mu. The General Partner directs all the relevant activities of the ARC Fund and is therefore considered to have power over the 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. The General Partner management fee structure has been approved by the shareholders and is based on the General Partner charging actual cost plus a 5% markup. The management fee for the six-month period ended 31 December 2024 was R65 million (30 June 2024: R112 million).



The ARC Fund's investment strategy

The ARC Fund's strategic focus remained largely consistent - to grow the building blocks in Business Process Outsourcing, Telecoms, Agri, Banking and Fintech sectors through bolt-on acquisition within the financial services portfolio, and to work with investment partners to deliver synergies amongst relevant portfolio companies.

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. The ARC Fund's investment portfolio includes a combination of mature, high-growth and early-stage investments. The portfolio comprises 36% of mature assets, 63% of high-growth assets and lastly, 1% of early-stage assets. Our mature investments comprise 30 entities while, high-growth assets and early-stage investments comprise 21 entities.

Included in our high-growth investments are portfolio companies such as TymeBank, Tyme Group Asia, Rain, Linebooker, Empowerfin and Capital Legacy. The General Partner will continue implementing the portfolio rationalisation plans identified in prior years. Investments that no longer align with the longer-term ARC Fund investment strategy will be exited in the short to medium term.

Operating environment

Several key factors impacted the ARC Fund portfolio during the period under review, both positive and negative. The national elections and establishment of the Government of National Unity (GNU), and interest rate cuts and reduced levels of load shedding

had a positive impact that has diminished the uncertainty faced in prior periods. However, the prevailing high interest rates, high unemployment rate, falling levels of consumer spending, the implementation and impact of the GNU government policies is uncertain and volatile foreign exchange environment continue to create challenging trading conditions for some of our portfolio companies.

The diverse investment portfolio of ARC Fund has however shown some resilience against this challenging macroeconomic environment. The difficult environment has also continued to create opportunities that we believe our investment portfolio is ideally positioned to benefit from.

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 for the foreseeable future based on forecasts and available cash and borrowing resources.

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 per share 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.

COMMENTARY

For the six-months ended 31 December 2024

Performance highlights

The collective efforts of the management and investment partners resulted in continued progress in the development of early-stage investments. ARC Fund acquired investments amounting to R698 million, as part of its strategy to support the existing investments, predominantly in financial services. These transactions included additional investments in Rain, ARC FSH, ARCH and Kropz.

The ARC Fund's net fair value gains amounted to R840 million. The main driver in these gains is an increase of R351 million from the Financial Services portfolio which was in turn driven by gains in Tyme Group Asia, Alexander Forbes Group Holdings Limited (Alexforbes) and Sanlam Third Party Asset Management. From the Diversified Investment portfolio, fair value gains of R489 million was mainly driven by the growth in the value of Rain, ARC Investments, Blue Spec Holdings (BlueSpec), Acorn Agri and Linebooker.

Rain's investment gains were largely as a result of the company achieving its forecast and progressing on its growth trajectory, coupled with a positive take-up of its rainOne product performance. Linebooker reached break-even in August 2023 and continues growing its customers base and its profitability. These gains were largely offset by the delays, pressures on the phosphate price and operational challenges faced by Kropz during the same period, which resulted in a decrease in fair value of R229 million.

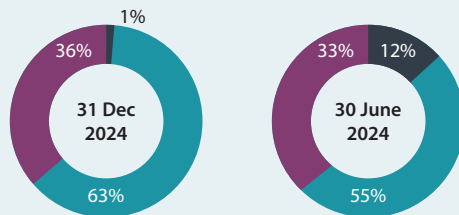
Narrowing the discount to Net Asset Value (NAV)

A significant highlight of the reporting period is the strong progress that has been made in maturing the portfolio and narrowing the discount the share price is trading at.

- Over 99% of the portfolio is now defined as high growth or mature, with only 6 companies, or 1% of the portfolio, remaining in the early stage of their life cycle. This will continue to improve the predictability of earnings and ensure lucrative growth prospects in future.
- The tail of the portfolio has been reduced, with the top 10 investments now comprising 86.5% of the portfolio's value.
- The unlisted portion of the ARC Fund (including investments owned by the ARC Fund through ARC FSH), which is only accessible through ARC Investments, now comprises 86.2% of the portfolio.
- Portfolio valuations have been validated through most unlisted disposals at values that are above the last reported fair values.
- A good track record has been established of realising synergies and accelerated growth through collaboration with partners.
- ARC Fund's dividend income is accelerating (R98 million in this period, relative to R53 million in the comparable period). ARC FSI received dividends amounting to R511 million, mainly from Alexforbes.

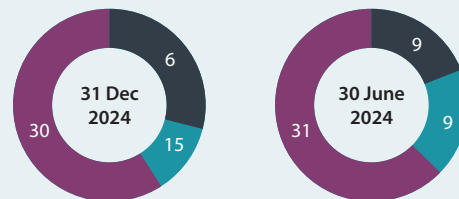
Management and partners will continue to collaborate to realise synergies, creating win-win opportunities for all the partners.

Portfolio business stage analysis by fair value



■ Early stage ■ High growth ■ Mature

Portfolio business stage analysis by number of companies



■ Early stage ■ High growth ■ Mature

The Company's intrinsic investment value in the ARC Fund increased marginally by 4.1% from R18 616 million at 30 June 2024 to R19 385 million at 31 December 2024. During the period under review, the Company's effective share of the invested assets (or the IPV) increased by 4.1%, from R20 189 million at 30 June 2024 to R20 467 million at 31 December 2024. The IFRS NAV per share increased by 3.6% from R12.34 at 30 June 2024 to R12.78 at 31 December 2024.

Performance participation hurdle

The performance participation hurdle has not been met as at the end of 31 December 2024. Consequently, no performance participation provision has been recognised during the period in terms of IFRS2.

Performance analysis

For the six-month period ended 31 December 2024

Investment in ARC Fund	Percentage change	Net Asset Value 30 June 24 R million	Net Investment R million	Net Increase/ (Decrease) in Net Asset Value R million	Net Asset Value 31 December 24 R million
Intrinsic portfolio value	1.4%	20 189	(562)	840	20 467
Cash in the ARC Fund		163	562	(150)	575
Debt in the ARC Fund		(1 725)	185	(99)	(1 639)
Other net assets/(liabilities) in the ARC Fund		(11)	–	(7)	(18)
UBI GP fee payable		(55)	–	(10)	(65)
Other assets (liabilities) in the ARC Fund		44	–	3	47
Intrinsic Investment in the ARC Fund at FVTPL	4.1%	18 616	185	584	19 385

For the six-month period ended 31 December 2023

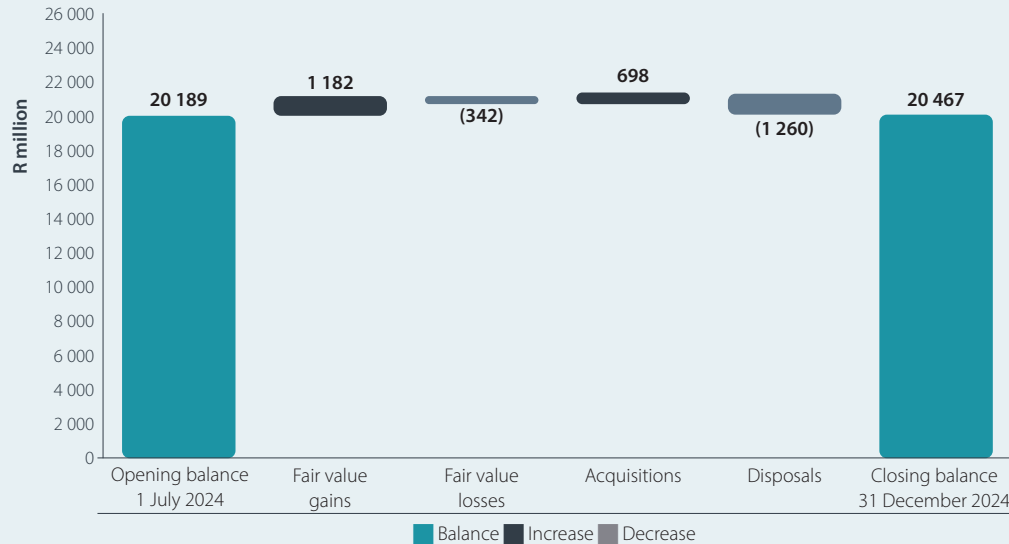
Investment in ARC Fund	Percentage change	Net Asset Value 30 June 23 R million	Net Investment R million	Net Increase/ (Decrease) in Net Asset Value R million	Net Asset Value 31 December 23 R million
Intrinsic portfolio value	8.4%	16 363	585	784	17 732
Cash in the ARC Fund		500	(300)	33	233
Debt in the 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	4.6%	15 328	–	700	16 028

COMMENTARY

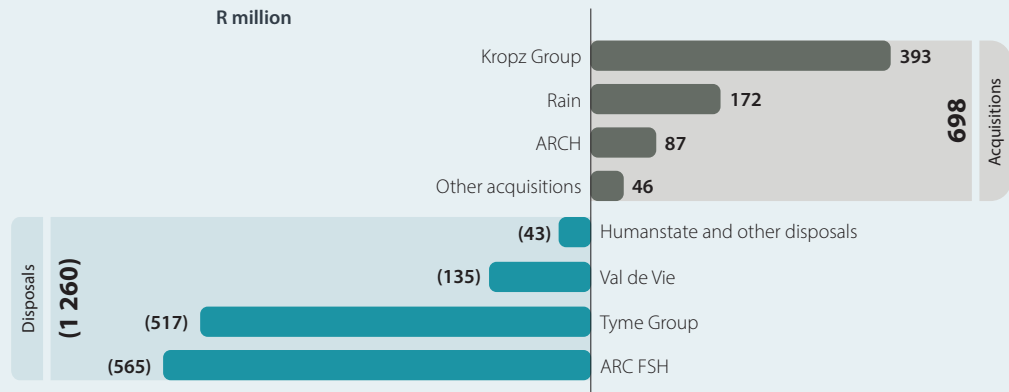
For the six-months ended 31 December 2024

During the period under review, ARC Investments, through the ARC Fund, effectively made acquisitions and disposals amounting to R698 million and R1.26 billion respectively.

Intrinsic portfolio value movement from 1 July 2024 to 31 December 2024



ARC Investments' effective acquisitions and disposals for the six-month period ended 31 December 2024



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

Kropz Group

ARC Fund contributed R393 million in additional capital. Part of this funding was used to repay BNP Paribas debt while the remainder of the funding supported cash flow shortfalls at Kropz Elandsfontein.

Rain

During the reporting period ARC Fund bought shares from some of the existing shareholders of Rain and invested funds in new ventures totalling R172 million.

ARCH Emerging Markets Partners Limited

ARC Fund invested an additional R87 million into both the ARCH investment portfolios as well as the ARCH Fund managers.

Tyme Group

During the reporting period ARC Fund sold its shares in TymeBank and Tyme Global to ARC FSH for R293 million and R224 million respectively. The total sale amounted to R517 million.

Val de Vie

ARC Fund partially exited its investment in Val de Vie during the reporting period.

ARC FSH

ARC Fund received R798 million as part of the return of the capital and in the same period it invested R233 million in ARC FSH as part of capital contribution for investments.

Acquisitions and Disposals in the Financial Services Portfolio

The ARC Fund previously held 49.9% of ARC FSH, a portfolio of banking and digital investments which during the reporting period was reduced to 37.425% as a result of the transaction with Sanlam. ARC FSH returned capital amounting to R1.6 billion to its shareholders and issued shares to Sanlam in exchange for shares Sanlam held in ARC FSI as well as cash. ARC Fund received R798 million as part of the return of the capital.

Tyme Group

ARC FSH invested a total of R585 million in Tyme Group Africa and R175 million in Tyme SA Holdings as part of Series C and Series D capital raise that occurred during the period. It also bought Tyme Group shares that were held in ARC Fund for R517 million.

EmpowerFin

ARC FSI acquired 30% of Empowerfin in December 2024 for R450 million, which included a loan of R117.7 million.

Lesaka Technologies (Lesaka)

Crossfin sold Adumo shares during the period, and as a result of Crossfin's exit of Adumo, ARC FSH received R188 million in Lesaka shares as loan repayment from Crossfin.

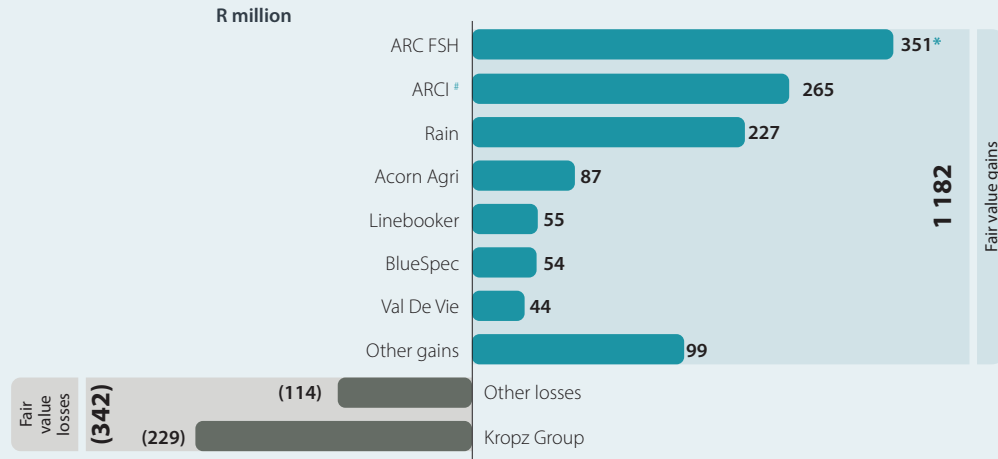
COMMENTARY

For the six-months ended 31 December 2024

Performance review for the six-months ended 31 December 2024

The graph below indicates the fair value that occurred during the period under review. Due to the diverse nature of the portfolio, the negative performance of the assets in some sectors was more than 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 2024

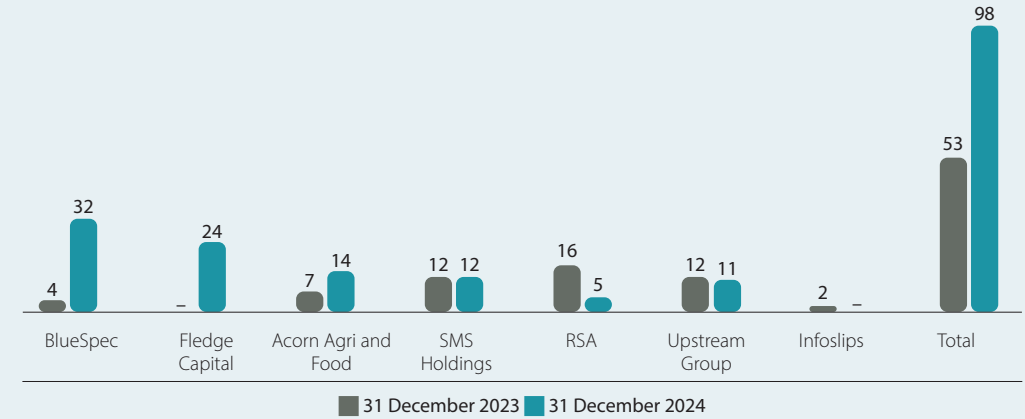


Denotes a listed entity classified as level 1 fair value hierarchy.

* The main contributors of ARC FSH fair value adjustments are Alexforbes (R85 million) and Sanlam Third Party Asset management (R41 million).

Dividend income

The Company's effective share in dividend income for the period under review increased by 85% to R98 million (31 December 2023: R53 million) consisting of dividends from:



ARC FSH Group received a dividend amounting to R511 million, the majority of which came from Alexforbes. ARC FSH received a dividend of R11 million from Ooba during the reporting period.

COMMENTARY

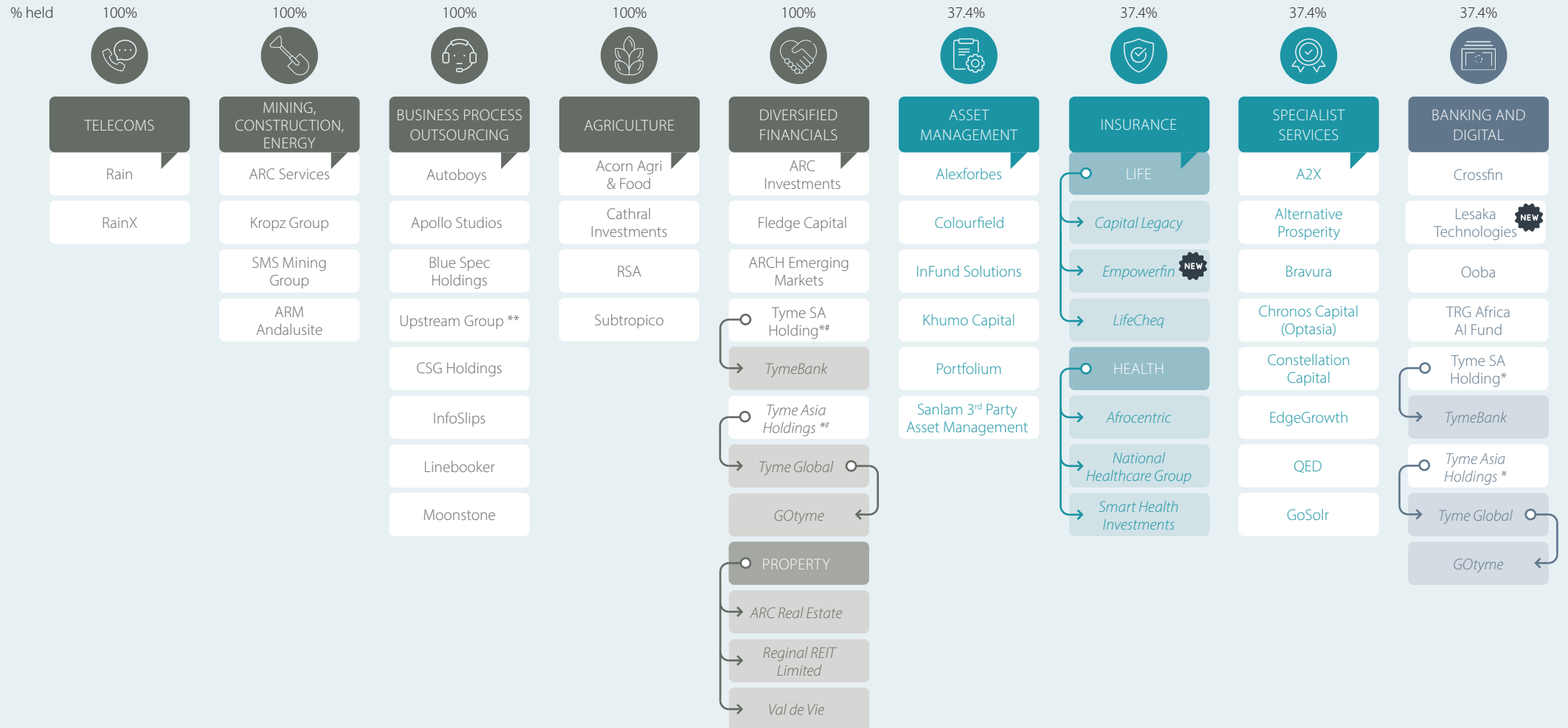
For the six-months ended 31 December 2024

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



* Sold the shares held to Financial services

* Tyme SA and Tyme Group Asia have been shown separately in the current reporting period

** Upstream Group - includes Consumer Friend, Core Connect and SlipStream

COMMENTARY

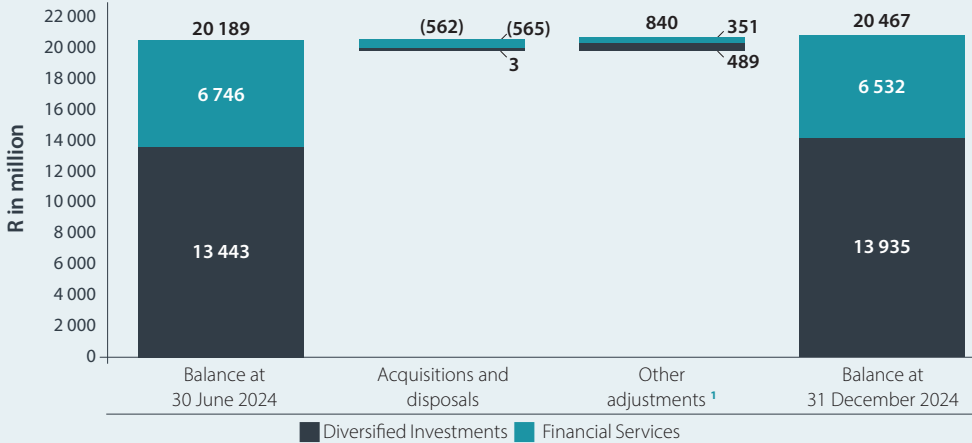
For the six-months ended 31 December 2024

Growth in IPV

PORTFOLIO DESCRIPTION AND REVIEW

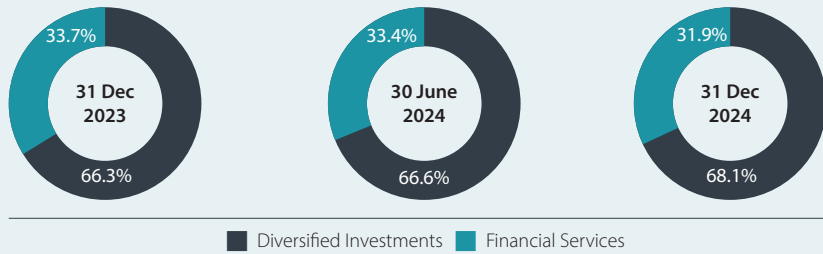
Below is a summarised view of the performance of the significant portfolio assets for Diversified Investments and Financial Services.

Portfolio movement per sector for the six-month period ended 31 December 2024



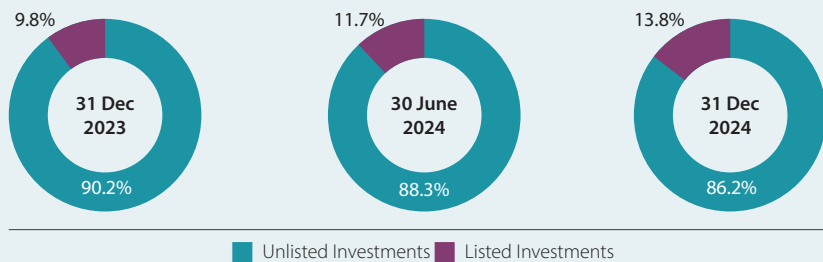
¹ Fair value net of expected tax, cash flows, interest, forex movements and disposal gain/loss

Investment segments



Listed and unlisted investments split

on a look through basis across the segments



Diversified Investments Portfolio – 68.1% of Fund Value (30 June 2024: 66.6%)

The Company's effective investment in the IPV of the Diversified Investments portfolio increased by 3.7% from R13 443 million at 30 June 2024 to R13 935 million at 31 December 2024.

	30 June 2024	31 December 2024	% of Fund value (31 December 2024)	% Increase/(% Decrease)
R million				
Telecommunications	5 240	5 639	27.6%	7.6% ▲
Diversified Financial Investments	2 892	2 656	13.0%	(8.2%) ▼
Mining, Construction and Energy	2 570	2 767	13.5%	7.7% ▲
Business Process Outsourcing	1 877	1 903	9.3%	1.4% ▲
Agriculture	864	970	4.7%	12.3% ▲
Total Diversified Investments	13 443	13 935	68.1%	3.7% ▲

Telecommunications – 27.6% of Fund Value (30 June 2024: 26.0%)

The Company has only one investment in this portfolio: Rain.

Rain – 27.6% of Fund Value (30 June 2024: 26.0%)

Rain is well-positioned as an innovative, reliable, affordable home broadband and low-cost data and mobile service provider. The value of the Company's interest in Rain has increased by R399 million (acquisitions and net revaluations) to R5 639 million in the period under review. The increase in fair value was as a result of the business progressing past the significant net cash outflow period, together with the successful launch of rainOne and the utilisation of the spectrum acquired in the last auction. Rain has established a solid foundation and continues to enjoy high subscriber growth driven by the strong performance of its rainOne and Rain mobile offerings. Its network received a significant upgrade to Huawei's Apollo 5.5G, enhancing performance and capacity. Rain launched new offerings, supported by the 101 pro and 101 xtender, providing customers with even more connectivity options. Rain continues to strengthen its brand with customer trust index scores, which remain well above the Telco industry (as measured by Trust Pilot and Hello Peter).

Diversified Financial Investments – 13.0% of Fund Value (30 June 2024: 14.3%)

The Company's effective investment in Diversified Financial Investments decreased by 8.2% from R2 892 million at 30 June 2024 to R2 656 million at 31 December 2024. The decrease arose as the net result of the disposal of the TymeBank and Tyme Global Holdings to ARC FSH. The net revaluations of R311 million were mainly attributable to the share price movements of the ARC Fund's investment in listed ARC Investments shares.

ARC Investments – 5.2% of Fund Value (30 June 2024: 3.8%)

During the period under review, the value of ARC Fund's effective investment in ARC Investments increased from R773 million at 30 June 2024 to R1 054 million at 31 December 2024, mainly due to an increase in the share price from 661 cents to 930 cents at 31 December 2024. The ARCI shares are valued using the 30-day VWAP.

COMMENTARY

For the six-months ended 31 December 2024

ARCH Emerging Markets – 4.6% of Fund Value (30 June 2024: 4.1%)

The Company's effective investment in ARCH Fund of Funds increased from R820 million at 30 June 2024 to R939 million at 31 December 2024. ARCH Fund of Funds has three active funds: the Africa Renewable Energy Fund (ARPF), an Africa Cold Chain Fund and a Sustainable Resources Fund (SRF). The ARC Fund has committed \$50 million towards the ARCH Funds. \$3.1 million was contributed during the current period under review. \$9.5 million of the commitment remains undrawn at 31 December 2024. As the majority of the underlying ARCH fund investments are still in development, most of the fair value movement is derived from foreign exchange gains.

Cold Chain Solutions East Africa Fund (CCSEAF) completed its first 17 100m² facility (15 000 pallets) in Nairobi at the end of June 2023, and customer acquisition is gaining good traction. The land acquisitions for the Kampala, Mombasa, Tanzania and Rwanda facilities were finalised, and ground has been broken to construct the next 48 000m² facilities in these locations.

The Africa Renewable Energy Fund (ARPF) achieved a final close in July 2021 at \$133 million, and the capital was 80% deployed at the end of last quarter of 2024. The team is actively working on achieving exits for the fund.

A Sustainable Resources Fund (SRF) was launched in October 2021, with anchor investors providing the first \$25 million commitments. A further \$5 million was committed by a US family office in the third quarter of 2023. The SRF was created to capitalise on the new metals super cycle catalysing the global transition to a greener economy. The fund first invested in a vertically integrated manufacturer of high-value graphite products in Tanzania. It made a second investment in the Giyani Metals project (Giyani) in Botswana alongside the IDC in first quarter of 2024. Giyani aims to develop sustainable high-purity battery manganese to serve the electric vehicle market. Giyani started with advanced commissioning at its test demonstration plant in Johannesburg during the last quarter of 2024. The fund size target is \$150 million, which is aimed to be reached by December 2025.

Fledge Capital Investments – 2.8% of Fund Value (30 June 2024: 2.9%)

Fledge Capital and ARC have continued their partnership, wherein ARC holds 51% shareholding in an investment vehicle, and Fledge Capital is a 49% shareholder. The Company's effective investment in Fledge Capital Investments changed marginally from R583 million at 30 June 2024 to R576 million at 31 December 2024. ARC Fund received dividends of R24 million during the period under review.

Property – 0.4% of Fund Value (30 June 2024: 1.0%)

The Company's effective investment in the Property investments decreased from R192 million at 30 June 2024 to R87 million at 31 December 2024, mainly due to the disposal of Val de Vie. The Company has a small investment in Regional REIT Ltd, listed on the London Stock Exchange which was impaired due to the poor share price performance as a result of decreased occupancy levels and downward pressure on rental rates.

Mining, Construction and Energy – 13.5% of Fund Value (30 June 2024: 12.7%)

The Company's effective investment in Mining, Construction and Energy increased by R197 million from R2 570 million at 30 June 2024 to R2 767 million at 31 December 2024.

Kropz Plc – 12.7% of Fund Value (30 June 2024: 12.1%)

Kropz Plc is an emerging African phosphate developer with two key mining assets: Elandsfontein and Cominco. The fundamentals of the fertiliser 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 2024 was determined using a discounted cash flow model and amounted to R2 601 million (30 June 2024: R2 437 million).

The group's primary focus is ramping up production at Elandsfontein, with various initiatives and modifications underway to enhance output. Elandsfontein produced over 144 000 tonnes of phosphate concentrate over the six months. Kropz completed a major restructuring and capital raise in November 2024, with the ARC Fund contributing R393 million in additional capital. While part of this funding was used to repay external debt, the majority supported cash flow shortfalls at Kropz Elandsfontein. This investment faces many challenges such as the international phosphate market price pressures, and remains a high risk portfolio asset. Due to these risks, the investment was further impaired by R229 million.

Other mining assets – 0.8% of Fund Value (30 June 2024: 0.7%)

The Company's effective investment in ARC Services increased from R75 million at 30 June 2024 to R107 million at 31 December 2024 due to a revaluation of R33 million, mainly due to an improved performance in the underlying investee companies. ARC Services, through its subsidiaries Bohlale and Ramco, is involved in the supply of bulk commodities (wholesale diesel and lubricants) in the mining, construction, infrastructure, and engineering space. These investments are well placed to benefit from the available opportunities in the above-mentioned sectors as part of transforming the procurement and supply bases into these sectors.

The ARC Fund acquired an effective 7.5% shareholding in SMS Mining Group (SMS Group) for R58 million in 2024. SMS Group 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.

ARC Fund received dividends amounting to R12 million from SMS Group during the period under review.

Business Process Outsourcing (BPO) – 9.3% of Fund Value (30 June 2024: 9.3%)

The Company's effective investment in Business Process Outsourcing investments increased from R1 877 million at 30 June 2024 to R1 903 million at 31 December 2024.

BlueSpec – 3.0% of Fund Value (30 June 2024: 2.8%)

The Company's effective investment in BlueSpec increased from R564 million to R618 million at 31 December 2024. BlueSpec continues to grow its market share, with the first wholesale mega vehicle warehouse for Weelee opened in Midstream. Weelee's brand presence has significantly increased through extensive physical infrastructure expansion and substantial investment in omnichannel marketing strategies, supported by a seamless buying platform. BlueSpec also continues to onboard more insurers and introduce new innovative products and value offerings to the insurance space, adding more assessment volumes and long-term contracts.

Linebooker – 2.4% of Fund Value (30 June 2024: 2.1%)

The Company's effective investment in Linebooker increased from R434 million at 30 June 2024 to R492 million at 31 December 2024. Linebooker is South Africa's largest online freight platform and continues to grow exponentially. Linebooker shows significant potential with several large industry-leading customers onboarded in the last 12 months, including Coca-Cola, Arcelor Mittal, Montego, Sasol and PepsiCo. Linebooker's increase in value stems from the company's strong performance and a healthy pipeline of new clients. Over the 12 months ending 31 December 2024, Linebooker achieved a 129% increase in revenue and a 90% increase in gross profit. Despite this impressive growth, Linebooker has a solid pipeline of new clients which should sustain its growth momentum in the short to medium term.

Other BPO investments – 3.9% of Fund Value (30 June 2024: 4.4%)

The Company's effective investment in the other BPO investments reduced from R879 million at 30 June 2024 to R793 million at 31 December 2024. Other major BPO investments include Consumer Friend, Moonstone, CSG, Apollo, Infoslips, and Autoboyos.

The Agterskot from the sale of PayProp was received in December 2024, for R42 million.

Agriculture – 4.7% of Fund Value (30 June 2024: 4.3%)

The Company's effective investment in Agriculture investments increased by R106 million from R864 million at 30 June 2024 to R970 million at 31 December 2024, due to Acorn Agri & Food and Subtropico revaluations.

Acorn Agri and Food – 2.4% of Fund Value (30 June 2024: 2.1%)

The Company's effective investment in Acorn Agri and Food (AAF) increased in value from R428 million at 30 June 2024 to R515 million at 31 December 2024. AAF is a vertically integrated agriculture and food group with investments in Montagu snacks, ACG Fruit, Overberg Agri, Overberg Wealth and Risk Management, Overberg Meat, Boltfast, P & B Limeworks, Moov Fuel, Bachmus, RSA and Kyron Group.

COMMENTARY

For the six-months ended 31 December 2024

Financial Services Portfolio – 31.9% of Fund Value (30 June 2024: 33.4%)

The Company's effective investment in the IPV of the Financial Services portfolio decreased from R6 746 million at 30 June 2024 to R5 532 million at 31 December 2024, as detailed in the table below. The ARC Fund's investment in ARC FSH was decreased due to the return of capital of R798 million to ARC Fund and the subscription of shares by Sanlam during the period. This subscription by Sanlam has resulted in a decrease in proportionate shareholding of the investments in ARC FSH from 49.9% to 37.425%.

R million	30 June 2024	31 December 2024	% Increase/(% Decrease)
Banking and Digital	4 408	3 804	(13.7%) ▼
Insurance and Asset Management	2 642	3 023	14.4% ▲
Specialist Financial Services	351	384	9.4% ▲
Total Financial Services Portfolio	7 401	7 211	(2.6%) ▼
Deferred consideration	(1)	–	(100.0%) ▼
Other Non-current Liability	(731)	(740)	1.2% ▲
Cash	142	56	(60.6%) ▼
Other net asset	(65)	5	(107.7%) ▼
Total IPV of the financial service portfolio	6 746	6 532	(3.2%) ▼

Banking and Digital – 18.0 % of Fund Value (30 June 2024: 21.8%)

The Company's effective investment in the Banking and Digital investments decreased from R4 408 million at 30 June 2024 to R3 804 million at 31 December 2024. This was mainly attributable to the sale of a 25% stake of ARC FSH to Sanlam.

Tyme Group – 16.3% of Fund Value (30 June 2024: 19.4%)

Tyme Group comprises of investments held in TymeBank and Tyme Global through the Tyme SA Holding and Tyme Group Asia. The combined value of Tyme Group reduced, as a result of the investment by Sanlam in ARC FSH, from R3 925 million at 30 June 2024 to R3 450 million as at 31 December 2024. The effective dilution impact was R981 million. For the period under review, the Tyme Group had net fair value gains of R27 million.

Previously, TymeBank and Tyme Global were disclosed as a single investment due to their shared ownership, strategy, and management structure. However, following the successful completion of a US\$250 million Series D funding round led by Nubank, the oversight and evaluation of TymeBank and Tyme Global have become distinct. As part of this capital raise, the ARC Group proportionally took up more shares in TymeBank SA than in Tyme Global to better align shareholder interests. Consequently, they are now disclosed separately for the period ending 31 December 2024.

TymeBank is a leading digital bank that has shown consistently higher growth in customer onboarding compared to international peers. As of 31 December 2024, the bank had 10.7 million customers and is experiencing consistent monthly growth in income-generating transactions. Total deposits rose to R6.9 billion, up from R6.3 billion in June 2024 whilst net advances increased from R1.9 billion to R2.3 billion. TymeBank also maintains one of the highest net promoter scores in the industry, reflecting strong customer satisfaction.

Leveraging technology to drive growth and operational efficiency, TymeBank is making rapid progress toward sustainable monthly profitability. At the same time, the bank continues to invest in long-term strategic initiatives, including advanced data analytics and AI, to enhance customer experience, develop innovative products, and drive higher activity rates. While these

investments may create some short-term pressure on profitability, they are critical to strengthening the bank's competitive position and ensuring sustained growth over the long term.

TymeBank has also built strong strategic partnerships with major retail and fintech players, including TFG, Boxer, Pick n Pay, and Kazang. Following the successful completion of its Series D capital raise in December 2024, the bank remains focused on expanding its lending portfolio to further strengthen its revenue-generating capabilities. However, the bank's valuation was conservatively adjusted downward by R324 million to reflect the price at which the Series D capital raise was completed in December 2024.

Tyme Global is headquartered in Singapore and serves as the holding company for the launch of multi-country banks. The first of these banks is TymeBank in South Africa, followed by GOtyme in the Philippines. GOtyme Bank launched in November 2022 and reached the milestone of 5 million customers by December 2024.

In June 2024, GOtyme Bank acquired Savii, a payroll lender in the Philippines. This acquisition will allow the bank to utilise its growing deposit base to enter the lending market through a well-established and proven lending model. Currently, Tyme Global is in the contracting stages with local partners in Vietnam, where they are also piloting a merchant cash advance product.

During the period, the fair value of the Tyme Global investment was adjusted to reflect the post-money value of the recently closed Series D capital raise, resulting in a positive fair value adjustment of R351 million.

Crossfin – 0.6% of Fund Value (30 June 2024: 1.3%)

Crossfin invests in high growth, cash-generative technology and fintech-type businesses and owns stakes in various fintech businesses, including Ikhokha, Akelo and Sybrin. Management is positioning some of its investments for sale in the medium term to realise value for shareholders, with the most recent exit being the sale of Adumo to listed Fintech company Lesaka Technologies in 2024. ARC works closely with the management team to assess opportunities for growth, including synergies within the existing ARC portfolio.

Other Banking and Digital investments – 1.1% of Fund Value (30 June 2024: 1.1%)

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

Insurance and Asset Management – 14.3% of Fund Value (30 June 2024: 12.7%)

The Company's effective investment in the Insurance and Asset Management investments increased from R2 642 million at 30 June 2024 to R3 023 million at 31 December 2024. This was mainly attributable increase in share price of Alexander Forbes and other investments in AFS FSI performing well.

Alexforbes – 7.5% of Fund Value (30 June 2024: 6.9%)

ARC FSI's shareholding increased by 2.2% from 42.3% to 44.5% in the listed company Alexforbes. ARC will continue to play an appropriate role in the investment in terms of strategy, acquisitions and people. Alexforbes' share price performed exceptionally well during the period under review, which resulted in a net fair value gain of R85 million being recognised.

Alexforbes also declared a special dividend, bringing the total dividend to R505 million for the period under review, which added to the return on the investment in ARC FSI.

Capital Legacy – 2.9% of Fund Value (30 June 2024: 2.9%)

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 R605 million at 30 June 2024 to R613 million at 31 December 2024. Capital Legacy has continued to show exemplary growth since the investment by ARC, with an IRR to date of 38%.

Unlocking substantial synergies between Sanlam and Capital Legacy regarding capital, insurance and distribution opportunities continue to be the focus between the parties.

COMMENTARY

For the six-months ended 31 December 2024

Sanlam Third Party Asset Management – 2.0% of Fund Value (30 June 2024: 1.8%)

ARC FSI holds a 25.0% interest in SIHH. The Company's elective investment in SIHH increased from R357 million at 30 June 2024 to R407 million at 31 December 2024. ARC FSI will continue to position itself competitively and support Sanlam management in seizing growth opportunities that benefit both Sanlam and ARC FSI shareholders.

Other Insurance and Asset Management – 1.9% of Fund Value (30 June 2024: 1.1%)

The Other Insurance and Asset Management portfolio investments include, Empowerfin, Afrocentric, Colourfield, Khumo Capital, QED, Smart Health Investments, Infund Solutions, LifeCheq, and National Care Solutions. The Company's effective investment in the portfolio increased from R250 million at 30 June 2024 to R416 million at 31 December 2024.

ARC FSI acquired 30% of Empowerfin in December 2024 for R450 million, which included a loan of R117.7 million. EmpowerFin is a financial wellness company whose core focus is the protection of employees from financial exploitation. Recognising the workplace as a key access point, Empowerfin prioritises partnerships with employers to deliver its services.

The company's core activities include:

- Investigating and forcing concessions on recklessly granted loans that burden employees unfairly.
- Facilitating refunds for employees overcharged on garnishee orders, ensuring transparency and fairness.
- Consolidating insurance policies to optimise costs, maximising financial savings.
- Challenging unscrupulous debt collectors that trap employees in cycles of financial distress.

The platform is experiencing increasing traction, evidenced by growing employer interest and improved employee engagement and self-service adoption. Empowerfin is poised for significant growth, driven by a compelling value proposition and a scalable, innovative distribution platform.

Specialist Financial Services – 1.8% of Fund Value (30 June 2024: 1.7%)

The Company's effective investment in the Specialist Financial Services investments increased from R351 million at 30 June 2024 to R384 million at 31 December 2024. The investments in this portfolio include ARC Investments, Optasia, GoSolr, A2X, Constellation Capital, Edge Growth, Alternative Prosperity and Bravura.

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 (56)	British	Independent Non-executive Director (Chairperson)
Clive Msipha (43)	Zimbabwean	Independent Non-executive Director (Chairperson of Audit and Risk Committee)
Anil Currimjee (62)	Mauritian	Independent Non-executive Director
Renosi Mokate (67)	South African	Independent Non-executive Director
Mmamodiane Refiloe Nkadimeng (43)	South African	Non-executive Director
Smitha Algoo-Bissonauth (40)	Mauritian	Independent Non-executive Director

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.

COMMENTARY

For the six-months ended 31 December 2024

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

Name (age)	Function
Patrice Motsepe (63)	Non-executive Director (Chairperson)
Alexander Maditsi (62)	Non-executive Director
Michael Arnold (66) ¹	Non-executive Director
Thomas Boardman (75) ^{2,3}	Non-executive Director
Boipelo Lekubo (41)	Non-executive Director
Tsundzukani Mhlanga (42)	Non-executive Director
Johan van der Merwe (60)	Executive Director
Johan van Zyl (68)	Non-executive Director

¹ Resigned on 07 December 2023

² Appointment 07 December 2023

³ Chairman of the Investment Committee and the Audit and Risk Committee.

Events after the reporting period

Alexforbes

Due to the cancellation of shares in Alexforbes the shareholding of ARC FSI increased from 44.49% to 45.83% of the total issued ordinary shares of AlexForbes.

Proposed delisting and re-domiciliation of African Rainbow Capital Investments Limited and offer to shareholders

Shareholders are referred to the simultaneous announcement by African Rainbow Capital Investments Limited ("ARCI") today, Tuesday, 18 March 2025 regarding a conditional cash offer by African Rainbow Capital Proprietary Limited and K2025167229 (South Africa) Proprietary Limited, as joint offerors, to ARCI shareholders to acquire all the issued shares in ARCI, not already owned by the joint offerors, proposed delisting of ARCI's shares on the JSE and A2X stock exchanges and proposed re-domiciliation of ARCI from Mauritius to South Africa.

BASIS OF PREPARATION

Statement of compliance

The Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting; 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 2024 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 2024 were approved in Mauritius by the Board of Directors of the Company on 13 March 2025.



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 2024

	Notes	Unaudited 31 December 2024 R million	Unaudited 31 December 2023 R million	Audited 30 June 2024 R million
ASSETS				
Non-current assets				
Investment in the ARC Fund at FVTPL*	5	19 379	16 139	18 562
Current assets				
Current financial assets at amortised costs		–	750	–
Cash and cash equivalents		17	18	21
Total assets		19 396	16 907	18 583
EQUITY				
Stated capital	7.1	10 951	10 797	10 797
Accumulated loss		(679)	(518)	(676)
Performance Participation reserve		–	–	154
Fair value reserve		9 123	6 625	8 306
Total equity		19 395	16 904	18 581
LIABILITIES				
Current liabilities				
Trade and other payables		1	3	2
Total equity and liabilities		19 396	16 907	18 583

* 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 2024

	Notes	Unaudited 31 December 2024 R million	Unaudited 31 December 2023 R million	Audited 30 June 2024 R million
Fair value movements on the investment in the ARC Fund at FVTPL*	4.2	817	775	2 456
Other income		1	1	2
Other expenses	6	(4)	(5)	(10)
Performance Participation expense	9	–	–	(154)
Profit before taxation		814	771	2 294
Taxation	10	–	–	–
Profit for the period/year		814	771	2 294
Other comprehensive income for the period/year		–	–	–
Total comprehensive income for the period/year		814	771	2 294
Earnings per share:				
Basic earnings per ordinary share (cents)	7.1	54	51	152
Diluted earnings per ordinary share (cents)	7.1	54	51	151

* 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 2024

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 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	872	–	(122)	–	750
Performance Participation	–	–	–	–	–
Unaudited balance at 31 December 2023	10 797	(518)	–	6 625	16 904
Total comprehensive income for the period	–	1 523	–	–	1 523
Transfer to fair value reserve *	–	(1 681)	–	1 681	–
Performance Participation	–	–	154	–	154
Audited balance at 30 June 2024	10 797	(676)	154	8 306	18 581
Total comprehensive income for the period	–	814	–	–	814
Transfer to fair value reserve *	–	(817)	–	817	–
Shares issued 7.1	–	–	–	–	–
Share based payment reserve	154	–	(154)	–	–
Performance Participation 9	–	–	–	–	–
Unaudited balance at 31 December 2024	10 951	(679)	–	9 123	19 395

* 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 2024

Notes	Unaudited 31 December 2024 R million	Unaudited 31 December 2023 R million	Audited 30 June 2024 R million
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash utilised in operations before investment activities 11	(4)	(3)	(8)
Net cash outflows from operating activities	(4)	(3)	(8)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in ARC Fund	–	–	(742)
Net cash inflows from investing activities	–	–	(742)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of shares	–	–	750
Net cash inflows from financing activities	–	–	750
Net increase/(decrease) in cash and cash equivalents	(4)	(3)	–
Cash and cash equivalents at the beginning of the period/year	21	21	21
Total cash and cash equivalents	17	18	21

* FVTPL: Fair value through profit or loss

ACCOUNTING POLICIES

For the six-months ended 31 December 2024

1. DEFINITIONS

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

1.1 International Financial Reporting Standards (IFRS Accounting Standards) 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 Accounting Standards measures as set out in the Segmental Report. The significant non-IFRS Accounting Standards 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 Accounting Standards portfolio value (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 Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board; 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 a 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 Interim Financial Statements are consistent with those applied in the Company's 30 June 2024 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 2024

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.

SEGMENTAL INFORMATION

For the six-months ended 31 December 2024

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 period (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 2024

4.1 SEGMENTAL PORTFOLIO VALUE MOVEMENTS

Investment	INTRINSIC ¹									
	31 DECEMBER 2024					30 June 2024				
	Net Balance at 30 June 2024 R million	Acquisition or (Disposal) R million	Fair Value, Interest, Forex & Disposal Gain/Loss R million	Net Balance at 31 December 2024 R million	Percentage of Fund	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 30 June 2024 R million	Percentage of Fund
Diversified Investments										
Telecommunications	5 240	172	227	5 639	27.6%	4 516	126	598	5 240	26.0%
Rain	5 240	172	227	5 639	27.6%	4 516	126	598	5 240	26.0%
Diversified Financials	2 892	(547)	311	2 656	13.0%	2 239	460	193	2 892	14.3%
African Rainbow Capital Investments ²	773	16	265	1 054	5.2%	508	143	122	773	3.8%
ARCH Emerging Markets	820	87	32	939	4.6%	620	161	39	820	4.1%
Fledge Capital	583	–	(7)	576	2.8%	583	–	–	583	2.9%
Tyme SA Holding ³	295	(293)	(2)	–	–	186	47	62	295	1.5%
Tyme Group Asia ³	229	(224)	(5)	–	–	124	122	(17)	229	1.0%
Property	192	(133)	28	87	0.4%	218	(13)	(13)	192	1.0%
Mining Construction and Energy	2 570	392	(195)	2 767	13.5%	2 050	591	(71)	2 570	12.7%
Kropz Group	2 437	393	(229)	2 601	12.7%	1 919	602	(84)	2 437	12.1%
Other Mining, Construction and Energy	133	(1)	34	166	0.8%	131	(11)	13	133	0.6%
Business Process Outsourcing	1 877	(14)	40	1 903	9.3%	1 691	(28)	214	1 877	9.3%
BlueSpec	564	–	54	618	3.0%	515	–	49	564	2.8%
Linebooker	434	3	55	492	2.4%	355	–	79	434	2.1%
Other Business Process Outsourcing ⁴	879	(17)	(69)	793	3.9%	821	(28)	86	879	4.4%
Agriculture	864	–	106	970	4.7%	789	6	69	864	4.3%
Acorn Agri and Foods	428	–	87	515	2.5%	215	168	45	428	2.1%
Other Agriculture ⁵	436	–	19	455	2.2%	574	(162)	24	436	2.2%
Total Company share of Fund's Diversified Investments	13 443	3	489	13 935	68.1%	11 285	1 155	1 003	13 443	66.6%
Financial Services	6 746	(565)	351	6 532	31.9%	5 078	–	1 668	6 746	33.4%
ARC Financial Services Holdings (Refer to note 4.1.1)	6 746	(565)	351	6 532	31.9%	5 078	–	1 668	6 746	33.4%
Total Company's share of Fund's IPV	20 189	(562)	840	20 467	100.0%	16 363	1 155	2 671	20 189	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 SA Holdings and Tyme Group Asia were grouped under Tyme Group in the prior year. In the current year they are separately disclosed post Series D capital raise transaction. The ARC Fund sold its shares in TymeBank and Tyme Global to ARC FSH for R293 million and R224 million respectively during the period.

⁴ Gemcap is disclosed under other as it contributed less than 2% in the current reporting period. The prior comparative period has been aligned with the current reporting period.

⁵ RSA in the prior year was disclosed separately as it was contributing above 2% and in the current reporting period it is disclosed under other. The prior year amounts were restated for comparative purposes.

SEGMENTAL INFORMATION

For the six-months ended 31 December 2024

4.1 SEGMENTAL PORTFOLIO VALUE MOVEMENTS *Continued*

Investment	INTRINSIC ¹				
	31 DECEMBER 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	Percentage of Fund
Diversified Investments					
Telecommunications	4 516	81	222	4 819	27.2%
Rain	4 516	81	222	4 819	27.2%
Diversified Financials	2 239	137	(117)	2 259	12.7%
African Rainbow Capital Investments ²	508	44	(129)	423	2.4%
ARCH Emerging Markets	620	21	2	643	3.6%
Fledge Capital	583	–	1	584	3.3%
Tyme SA Holding ³	186	–	40	226	1.2%
Tyme Group Asia ³	124	76	(31)	169	1.0%
Property	218	(4)	–	214	1.2%
Mining Construction and Energy	2 050	379	(290)	2 139	12.1%
Kropz Group	1 919	379	(295)	2 003	11.3%
Other Mining, Construction and Energy	131	–	5	136	0.8%
Business Process Outsourcing	1 691	(33)	80	1 738	9.8%
BlueSpec	515	–	–	515	2.9%
Linebooker	355	–	5	360	2.0%
Other Business Process Outsourcing ⁴	821	(33)	75	863	4.9%
Agriculture	789	21	(16)	794	4.50%
Acorn Agri and Foods	215	–	20	235	1.3%
Other Agriculture ⁵	574	21	(36)	559	3.2%
Total Company share of Fund's Diversified Investments	11 285	585	(121)	11 749	66.3%
Financial Services	5 078	–	905	5 983	33.7%
ARC Financial Services Holdings (Refer to note 4.1.1)	5 078	–	905	5 983	33.7%
Total Company's share of Fund's IPV	16 363	585	784	17 732	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 SA Holdings and Tyme Group Asia were grouped under Tyme Group in the prior year. In the current year they are separately disclosed post Series D capital raise transaction.

⁴ Gemcap is disclosed under other as it contributed less than 2% in the current reporting period. The prior comparative period has been aligned with the current reporting period.

⁵ RSA in the prior year was disclosed separately as it was contributing above 2% and in the current reporting period it is disclosed under other. The prior year amounts were restated for comparative purposes.

SEGMENTAL INFORMATION

For the six-months ended 31 December 2024

4.1 SEGMENTAL PORTFOLIO VALUE MOVEMENTS

R million	Reconciliation of the share of ARC Fund's INTRINSIC net asset value to IFRS Value							
	31 December 2024				30 June 2024			
	Intrinsic Value 31 December 2024	Spot vs 30-day VWAP	Control Premium	IFRS Value 31 December 2024	Intrinsic Value 30 June 2024	Spot vs 30-day VWAP	Control Premium	IFRS Value 30 June 2024
Listed	1 072	114	(130)	1 056	773	92	(109)	756
Unlisted	19 395	219	(209)	19 405	19 416	156	(193)	19 379
Total Fund IPV	20 467	333	(339)	20 461	20 189	248	(302)	20 135
UBI GP fee payable by ARC Fund*	(65)	–	–	(65)	(55)	–	–	(55)
Other non-current liabilities in ARC Fund*	(1 639)	–	–	(1 639)	(1 725)	–	–	(1 725)
Total portfolio net of liabilities	18 763	333	(339)	18 757	18 409	248	(302)	18 355
Cash in ARC Fund*	575	–	–	575	163	–	–	163
Deferred Consideration	–	–	–	–	45	–	–	45
Other assets/(liabilities) in ARC Fund*	47	–	–	47	(1)	–	–	(1)
Total investment in ARC Fund at FVTPL	19 385	333	(339)	19 379	18 616	248	(302)	18 562

* 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.

R million	Reconciliation of the share of ARC Fund's INTRINSIC net asset value to IFRS Value			
	31 December 2023			
	Intrinsic Value 31 December 2023	Spot vs 30-day VWAP	Control Premium	IFRS Value 31 December 2023
Listed	423	3	–	426
Unlisted	17 309	108	–	17 417
Total Fund IPV	17 732	111	–	17 843
UBI GP fee payable by ARC Fund*	(50)	–	–	(50)
Other non-current liabilities in ARC Fund*	(1 775)	–	–	(1 775)
Total portfolio net of liabilities	15 907	111	–	16 018
Cash in ARC Fund*	233	–	–	233
Other assets/(liabilities) in ARC Fund*	(112)	–	–	(112)
Total investment in ARC Fund at FVTPL	16 028	111	–	16 139

* 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 2024

4.1 SEGMENTAL PORTFOLIO VALUE MOVEMENTS

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

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

Investment	INTRINSIC										
	31 DECEMBER 2024						30 JUNE 2024				
	Net Balance at 30 June 2024	Acquisition or (Disposal)	Group Restructure	Fair Value, Interest, Forex & Disposal Gain/Loss	Net Balance at 31 December 2024	Dividend Income	Net Balance at 30 June 2023	Acquisition or (Disposal)	Fair Value, Interest, Forex & Disposal Gain/Loss	Net Balance at 30 June 2024	Dividend Income
R million	R million	R million	R million	R million	R million	R million	R million	R million	R million	R million	
Financial Services											
Insurance and Asset Management	2 642	258	(1)	124	3 023	191	2 207	4	431	2 642	190
Alexander Forbes Group Holdings (Alexforbes) ¹	1 430	72	–	85	1 587	189	1 139	–	291	1 430	99
Sanlam Third Party Asset Management	357	9	–	41	407	–	364	–	(7)	357	77
Capital Legacy	605	9	–	(1)	613	–	437	–	168	605	–
Other Insurance and Asset Management	250	168	(1)	(1)	416	2	267	4	(21)	250	14
Banking & Digital	4 408	472	(1 101)	25	3 804	4	3 254	71	1 083	4 408	11
Tyme SA Holding ²	3 207	176	(802)	(324)	2 257	–	2 019	74	1 114	3 207	–
Tyme Group Asia ²	718	303	(179)	351	1 193	–	778	13	(73)	718	–
CrossFin	271	(75)	(68)	(13)	115	–	263	(17)	25	271	–
Other Banking	212	68	(52)	11	239	4	194	1	17	212	11
Specialist Financial Services	351	–	–	33	384	–	277	57	17	351	8
Total Company share of Financial Services portfolio value	7 401	730	(1 102)	182	7 211	195	5 738	132	1 531	7 401	209

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

² Tyme SA Holdings and Tyme Group Asia were grouped under Tyme Group in the prior year. In the current year they are separately disclosed post Series D capital raise transaction.

Investment	31 DECEMBER 2024					30 JUNE 2024			
	Net Asset Value 30 June 2024	Net Investment	Restructure	Net increase in Net Asset Value	Net Asset Value 31 December 2024	Net Asset Value 30 June 2023	Net Investment	Net increase in Net Asset Value	Net increase in Net Asset Value
	R million	R million	R million	R million	R million	R million	R million	R million	R million
IPV	7 401	730	(1 102)	182	7 211	5 738	132	1 531	7 401
Deferred consideration*	(1)	6	(1)	(4)	–	(2)	–	1	(1)
Other non-current liabilities*	(731)	–	5	(14)	(740)	(762)	106	(75)	(731)
Total liabilities	(732)	6	4	(18)	(740)	(764)	106	(74)	(732)
Total portfolio net of liabilities	6 669	736	(1 099)	165	6 471	4 974	238	1 457	6 669
Cash*	142	(730)	(2)	646	56	102	–	40	142
Other net assets /(liabilities)*	(65)	52	18	–	5	2	–	(67)	(65)
Total Company share of investment in ARC Financial Services Portfolio	6 746	58	(1 083)	811	6 532	5 078	238	1 430	6 746

* 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 2024

4.1 SEGMENTAL PORTFOLIO VALUE MOVEMENTS

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

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

Investment	INTRINSIC				
	31 DECEMBER 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 R million
Financial Services					
Insurance and Asset Management	2 207	3	51	2 261	99
Alexforbes ¹	1 139	–	26	1 165	57
Capital Legacy	437	–	41	478	–
Sanlam Third Party Asset Management	364	–	(3)	361	34
Other Insurance and Asset Management	267	3	(13)	257	8
Banking & Digital	3 254	(5)	801	4 050	6
Tyme SA Holding ²	2 019	–	900	2 919	–
Tyme Group Asia ²	778	13	(118)	673	–
CrossFin	263	(17)	17	263	–
Other Banking	194	(1)	2	195	6
Specialist Financial Services	277	17	(17)	277	1
Total Company share of Financial Services portfolio value	5 738	15	835	6 588	106

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

² Tyme SA Holdings and Tyme Group Asia were grouped under Tyme Group in the prior year. In the current year they are separately disclosed post Series D capital raise transaction.

Investment	31 DECEMBER 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
IPV	5 738	15	835	6 588
Deferred consideration*	(2)	–	1	(1)
Other non-current liabilities*	(762)	–	(3)	(765)
Total liabilities	(764)	–	(2)	(766)
Total portfolio net of liabilities	4 974	15	833	5 822
Cash*	102	(15)	85	172
Other net assets /(liabilities)*	2	–	(13)	(11)
Total Company share of investment in ARC Financial Services Portfolio	5 078	–	905	5 983

* 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 2024

4.2 SEGMENTAL PORTFOLIO RETURNS

Investment (R million)	31 December 2024				30 June 2024				31 December 2023			
	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	-	227	-	227	-	598	-	598	-	222	-	222
Rain	-	227	-	227	-	598	-	598	-	222	-	222
Diversified Financials	24	285	26	335	4	168	25	197	-	(118)	1	(117)
African Rainbow Capital Investments ³	-	265	-	265	-	122	-	122	-	(129)	-	(129)
ARCH Emerging Markets	-	6	26	32	-	18	21	39	-	2	-	2
Fledge Capital	24	(7)	-	17	-	-	-	-	-	1	-	1
Tyme SA Holding ⁴	-	(2)	-	(2)	-	62	-	62	-	40	-	40
Tyme Group Asia ⁴	-	(5)	-	(5)	-	(17)	-	(17)	-	(31)	-	(31)
Property	-	28	-	28	4	(17)	4	(9)	-	(1)	1	-
Mining, Construction and Energy	12	(380)	185	(183)	13	(368)	297	(58)	12	(414)	124	(278)
Kropz Group	-	(414)	185	(229)	-	(381)	297	(84)	-	(419)	124	(295)
Other Mining, Construction and Energy	12	34	-	46	13	13	-	26	12	5	-	17
Business Process Outsourcing	43	40	-	83	107	214	-	321	18	80	-	98
BlueSpec	32	54	-	86	69	49	-	118	4	-	-	4
Linebooker	-	55	-	55	-	79	-	79	-	5	-	5
Other Business Process Outsourcing	11	(69)	-	(58)	38	86	-	124	14	75	-	89
Agriculture	19	106	-	125	28	68	1	97	23	(16)	-	7
Acorn Agri and Foods ⁵	14	87	-	101	7	45	-	52	7	20	-	27
Other Agriculture	5	19	-	24	21	23	1	45	16	(36)	-	(20)
Total Company share of Fund's Diversified Investments Portfolio returns	98	278	211	587	152	680	323	1 155	53	(246)	125	(68)
Financial Services	-	351	-	351	-	1 668	-	1 668	-	905	-	905
ARC Financial Services Holdings	-	351	-	351	-	1 668	-	1 668	-	905	-	905
Total Company share of Fund's Portfolio returns	98	629	211	938	152	2 348	323	2 823	53	659	125	837

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 SA Holdings and Tyme Group Asia were grouped under Tyme Group in the prior year. In the current year they are separately disclosed post Series D capital raise transaction.

⁴ Gemcap is disclosed under other as it contributed less than 2% in the current reporting period. The prior comparative period has been aligned with the current reporting period.

⁵ RSA in the prior year was disclosed separately as it was contributing above 2% and in the current reporting period it is disclosed under other. The prior year amounts were restated for comparative purposes.

SEGMENTAL INFORMATION

For the six-months ended 31 December 2024

4.2 SEGMENTAL PORTFOLIO RETURNS

	Reconciliation of the share of ARC Fund's INTRINSIC to IFRS portfolio returns							
	31 DECEMBER 2024				30 JUNE 2024			
	Total Intrinsic Income 31 December 2024	Change resulting from Spot vs 30 day VWAP	Change resulting from Control Premium	Total IFRS Income 31 December 2024	Total Intrinsic Income 30 June 2024	Change resulting from Spot vs 30 day VWAP	Change resulting from Control Premium	Total IFRS Income 30 June 2024
Total Company share of Fund's Invested Portfolio returns	938	85	(36)	987	2 823	130	(212)	2 741
Fund management fee				(65)				(112)
Interest income on cash and cash equivalents				17				32
Finance costs in the ARC Fund				(99)				(193)
Other net expenses in the Fund				(23)				(12)
IFRS fair value movements on the investment in the ARC Fund at FVTPL				817				2 456

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

SEGMENTAL INFORMATION

For the six-months ended 31 December 2024

4.3 SEGMENTAL PORTFOLIO NET ASSET VALUE MOVEMENTS - OTHER DISCLOSURE

	INTRINSIC										
	31 DECEMBER 2024					30 JUNE 2024					
	Net Balance 30 June 2024	Acquisition or (Disposal)	Transfers	Net Interest Capitalised	Fair Value, Forex & Disposal Gain/Loss R million	Net Balance 31 December 2024	Net Balance 30 June 2023	Acquisition or (Disposal)	Net Interest Capitalised	Fair Value, Forex & Disposal Gain/Loss R million	Net Balance 30 June 2024
Investment	R million	R million	R million	R million	R million	R million	R million	R million	R million	R million	
Nature classification of investments											
Listed	773	16	31	–	252	1 072	508	144	–	121	773
Unlisted	19 416	(578)	(31)	201	387	19 395	15 855	1 011	326	2 224	19 416
Total Nature classification	20 189	(562)	–	201	639	20 467	16 363	1 155	326	2 345	20 189
Geographic classification of investments											
South Africa	17 936	(1 429)	–	52	941	17 500	14 159	905	114	2 758	17 936
Rest of Africa	814	51	–	16	10	891	613	158	24	19	814
International	1 439	816	–	133	(312)	2 076	1 591	92	188	(432)	1 439
Total Geographic Classification	20 189	(562)	–	201	639	20 467	16 363	1 155	326	2 345	20 189
Investment instrument type											
Equity	17 545	88	–	–	723	18 356	14 536	501	–	2 508	17 545
Loans	2 644	(650)	–	201	(84)	2 111	1 802	679	326	(163)	2 644
Preference Shares	–	–	–	–	–	–	25	(25)	–	–	–
Total Instrument Type Classification	20 189	(562)	–	201	639	20 467	16 363	1 155	326	2 345	20 189

	NET ASSET VALUE PER SHARE							
	31 DECEMBER 2024				30 JUNE 2024			
	31 December 2024	30 June 2024	Per share change	% change	30 June 2024	30 June 2023	Per share change	% change
Net Asset Value – IFRS								
Net Asset Value per shares (cents) - IFRS	1 278	1 234	44	3.6%	1 234	1 144	90	7.9%
Diluted Net Asset Value per share (cents) - IFRS	1 278	1 224	54	4.4%	1 224	1 134	90	7.9%

	31 DECEMBER 2024				30 JUNE 2024			
	31 December 2024	30 June 2024	Per share change	% change	30 June 2024	30 June 2024	Per share change	% change
	Net Asset Value - INTRINSIC							
Net Asset Value per shares (cents) - Intrinsic	1 278	1 238	40	3.2%	1 238	1 141	97	8.5%
Diluted Net Asset Value per share (cents) - Intrinsic	1 278	1 228	50	4.1%	1 228	1 131	97	8.6%

SEGMENTAL INFORMATION

For the six-months ended 31 December 2024

4.3 SEGMENTAL PORTFOLIO NET ASSET VALUE MOVEMENTS - OTHER DISCLOSURE *Continued*

	INTRINSIC				
	31 DECEMBER 2023				
	Net Balance 30 June 2023	Acquisition or (Disposal)	Net Interest Capitalised	Fair Value, Forex & Disposal Gain/Loss	Net Balance 31 December 2023
Investment	R million	R million	R million	R million	R million
Nature classification of investments					
Listed	508	44	–	(129)	423
Unlisted	15 855	543	129	782	17 309
Total Nature classification	16 363	587	129	653	17 732
Geographic classification of investments					
South Africa	14 159	517	37	1 089	15 802
Rest of Africa	613	29	–	3	645
International	1 591	41	92	(439)	1 285
Total Geographic Classification	16 363	587	129	653	17 732
Investment instrument type					
Equity	14 536	228	–	811	15 575
Loans	1 802	384	129	(158)	2 157
Preference Shares	25	(25)	–	–	–
Total Instrument Type Classification	16 363	587	129	653	17 732

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

	31 DECEMBER 2023			
	31 DECEMBER 2023			
	31 December 2023	30 June 2023	Per share change	% change
Net Asset Value - INTRINSIC				
Net Asset Value per shares (cents) - Intrinsic	1 115	1 141	(26)	(2.3%)
Diluted Net Asset Value per share (cents) - Intrinsic	1 115	1 131	(16)	(1.4%)

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2024

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 2024 R million	Unaudited 31 December 2023 R million	Audited 30 June 2024 R million
The movement of the investment in the ARC Fund at FVTPL* are as follows:				
Opening balance		18 562	15 364	15 364
Return of Capital by ARC Fund**		–	–	–
Cash capital contribution		–	–	742
Fair value movements on the investment in the ARC Fund at FVTPL*	4.2	817	775	2 456
Total		19 379	16 139	18 562
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 2024

5.1 DIVERSIFIED INVESTMENTS PORTFOLIO VALUATION INPUTS

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 portfolio values for unlisted companies and Intrinsic portfolio values for listed companies. Key inputs that drive the ARC Fund valuation of the portfolio assets were identified and sensitivities tested as demonstrated below.

	TELECOMMUNICATIONS		DIVERSIFIED FINANCIALS	
	Rain		ARCI Limited shares	
Details of valuation inputs	31 December 2024	30 June 2024	31 December 2024	30 June 2024
R million				
% equity held by Fund	21.76%	21.00%	7.35%	7.30%
% equity held by ARC Group	21.76%	21.00%	7.35%	7.30%
Gross investment	7 365	6 841	924	664
30-day VWAP	-	-	8.28	6.06
Spot price	-	-	9.30	6.9
Control premium	-	-	20%	20%
Minority discount	12.50%	12.50%	5%	3%
Marketability discount (considers BEE where applicable)	12.50%	12.50%	-	-
Net investment	5 639	5 238	1 054	773
Loans and other investments	-	2	-	-
Total intrinsic value of investment	5 639	5 240	1 054	773
Fair value adjustment	227	598	265	122
Valuation information:				
IFRS 13 fair value hierarchy	Level 3		Level 1	
Valuation methodology	Five-year discounted cash flow with terminal value		Listed share prices	
Portfolio entity disclosures:				
Sector grouping	Telecommunications		Diversified Financials	
Listed/Unlisted	Unlisted		Listed	
BEE lock-in period	Transfer restrictions and pre-emptive rights apply to the ARC Fund's interest which is considered part of the marketability discount above.		None	
Assumptions and sensitivities				
Key inputs:				
Input 1	WACC		Not applicable	
Input variable	16.85%	18.0%		
Input 2	Terminal growth rate			
Input variable	3.5%	3.5%		
Input 3	Target debt/equity ratio			
Input variable	33%	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 R528 million, while a 1% decrease will result in a fair value increase of R617 million.	1% increase in WACC will result in a fair value decrease of R474 million, while a 1% decrease will result in a fair value increase of R548 million.		
Input 2 variable	1% increase in terminal growth rate will result in R426 million increase in value and 1% decrease in terminal growth rate will result in R375 million decrease in value.	R357 million per 1% increase in terminal growth rate and R311 million decrease per 1% decrease in terminal growth rate.		
Input 3 variable	1% increase in debt/equity target will result in R71 million increase in value and 1% decrease in debt/equity target will result in R69 million decrease in value.	R73 million increase per 1% increase in debt/equity target and R71 million decrease per 1% decrease in debt/equity target.		
Input 4 variable	1% increase in recurring revenue will result in fair value increase of R229 million while a 1% decrease will result in R229 million decrease.	1% increase in recurring revenue will result in fair value increase of R216 million while a 1% decrease will result in R216 million decrease.		

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2024

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 2024	30 June 2024	31 December 2024	30 June 2024
% equity held by Fund	50%	49%	51%	51%
% equity held by ARC Group	50%	49%	51%	51%
Gross equity investment	705	604	604	583
Control premium	-	-	0% – 20%	-
Minority discount	-	-	0% – 5%	-
Marketability discount (considers BEE where applicable)	-	-	2% – 10%	Considered at individual investment level
Net equity investment	705	604	576	583
Loans and other investments	234	216	-	-
Total intrinsic value of investment	939	820	576	583
Fair value adjustment	32	39	(7)	-
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 18.75	R/\$ spot 18.21	-	-
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 2024

5.1 DIVERSIFIED INVESTMENTS PORTFOLIO VALUATION INPUTS *continued*

Details of valuation inputs	MINING, CONSTRUCTION AND ENERGY	
	Kropz Group	
R million	31 December 2024	30 June 2024
% equity held by Fund	90.1%	83.2%
% equity held by ARC Group	90.1%	83.2%
Gross investment	785	62
Minority discount	–	–
Marketability discount (considers BEE where applicable)	Various between 8% – 15%	Various between 10% – 20%
Net investment	667	50
Loans and other investments	1 934	2 387
Total intrinsic value of investment	2 601	2 437
Fair value adjustment	(229)	(84)
Valuation information:		
IFRS 13 fair value hierarchy	Level 3	
Valuation methodology	Sum of the parts (DCF and carrying value of loans) – 90.1% (30 June 2024; PY 83.2%) of Kropz Plc; 26% of Kropz Elandsfontein; 30% (30 June 2024; 26%) of Elandsfontein Land Holdings	
Portfolio entity disclosures:		
Sector grouping	Mining, Construction and Energy	
Listed/Unlisted	Listed (trade on this entity has very low volumes and thus it has been classified as level 3 instead of level 1)	
BEE lock-in period	Implied BEE lock-in in Kropz Elandsfontein as part of the current mining licence equates to 10 years	
Assumptions and sensitivities		
Key inputs:		
Input 1	Commodity price	Commodity price
Input variable	\$/t FOB 182 (weighted average life of mine)	\$/t FOB 197 (weighted average life of mine)
Input 2	USD: ZAR rate	USD: ZAR rate
Input variable	R/\$ spot 18.71 and forward rate based on 1.652% inflation differential	R/\$ spot 18.21 and forward rate based on 2.35% inflation differential
Input 3	WACC	
Input variable	20.58%	21.20%
Sensitivity of key inputs:		
Input 1 variable	10% reduction in commodity prices will result in R1 782 million decrease in fair value and 10% increase in commodity prices will result in R1,674 million fair value increase.	R1 021 million decrease in fair value per 10% reduction in commodity prices and R993 million fair value increase per 10% increase in commodity prices.
Input 2 variable	A 5% strengthening of the Rand results in a R357 million decrease in fair value and a 5% weakening of the Rand results in a R287 million increase in fair value.	R125 million decrease in fair value per 5% strengthening of the rand and R320 million increase in fair value per 5% weakening of the Rand.
Input 3 variable	A 1% increase in WACC will result in a decrease in fair value of R360 million. A 1% decrease in WACC will result in an increase in fair value of R481 million.	A 1% increase in WACC will result in a decrease in fair value of R139 million. A 1% decrease in WACC will result in an increase in fair value of R226 million.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2024

5.1 DIVERSIFIED INVESTMENTS PORTFOLIO VALUATION INPUTS *continued*

	BUSINESS PROCESS OUTSOURCING			
Details of valuation inputs R million	Blue Spec Holdings		Linebooker	
	31 December 2024	30 June 2024	31 December 2024	30 June 2024
% equity held by Fund	24.8%	24.8%	75.2%	74.6%
% equity held by ARC Group	24.8%	24.8%	75.2%	74.6%
Gross investment	801	731	547	482
Minority discount	11.20%	11.20%	-	-
Marketability discount (considers BEE where applicable)	13.10%	13.10%	10%	10%
Net investment	618	564	492	434
Loans and other investments	-	-	-	-
Total intrinsic value of investment	618	564	492	434
Fair value adjustment	54	49	55	79
Valuation information:				
IFRS 13 fair value hierarchy	Level 3	Level 3	Level 3	Level 3
Valuation methodology	Sum-of-the-Parts (which includes a 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	7.6x	7.6x	20.6%	21.5%
Input 2	Earnings	Earnings	Terminal growth rate	
Input 2 variable	-	-	4.5%	5.5%
Sensitivity of key inputs:				
Input 1 variable	An increase of 1x in the PE multiple results in a R74 million increase in the fair value (post the discounts) and 1x decrease in the PE multiple results in a R74 million decrease in the fair values (post the discounts).	An increase of 1x in the PE multiple results in a R96 million increase in the fair value (post the discounts) and 1x decrease in the PE multiple results in a R37 million decrease in the fair values (post the discounts).	1% increase in WACC will result in a fair value decrease of R41 million, while a 1% decrease will result in a fair value increase of R38 million.	1% increase in WACC will result in a fair value decrease of R33 million, while a 1% decrease will result in a fair value increase of R38 million.
Input 2 variable	An increase of 10% in the net earnings level results in a R56 million increase in the fair value (post the discounts) and decrease of 10% in the net earnings level results in a R56 million decrease in the fair value (post the discounts)	An increase of 10% in the net earnings level results in a R80 million increase in the fair value (post the discounts) and decrease of 10% in the net earnings level results in a R21 million decrease in the fair value (post the discounts)	R12 million increase per 1% increase in terminal growth rate and R18 million decrease per 1% decrease in terminal growth rate.	R13 million increase per 1% increase in terminal growth rate and R12 million decrease per 1% decrease in terminal growth rate.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2024

5.1 DIVERSIFIED INVESTMENTS PORTFOLIO VALUATION INPUTS *continued*

	AGRICULTURE	
Details of valuation inputs	Acorn Agri and Food	
R million	31 December 2024	30 June 2024
% equity held by Fund	24.3%	21.4%
% equity held by ARC Group	24.3%	21.4%
Gross investment	643	547
Minority discount	8.5%	10.0%
Marketability discount (considers BEE where applicable)	12.5%	13.0%
Net investment	515	428
Loans and other investments	-	-
Total intrinsic value of investment	515	428
Fair value adjustment	87	45
Valuation information:		
IFRS 13 fair value hierarchy	Level 3	
Valuation methodology	Sum of the parts	
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	7.85x	7.9x
Input 2	Earnings	Earnings
Input 2 variable	-	-
Sensitivity of key inputs:		
Input 1 variable	An increase of 10% in the PE multiple results in a R24.9 million increase in the fair value of ARC equity investment (post the discounts) and 10% decrease in the PE multiple results in a R58.9 million decrease in the fair value of ARC equity investment (post the discounts).	An increase of 10% in the PE multiple results in a R17.5 million increase in the fair value of ARC equity investment (post the discounts) and 10% decrease in the PE multiple results in a R51.3 million decrease in the fair value of ARC equity investment (post the discounts).
Input 2 variable	An increase of 10% in earnings results in a R24.9 million increase in the fair value of ARC equity investment (post the discounts) and 10% decrease in the earnings results in a R58.9 million decrease in the fair value of ARC equity investment (post the discounts).	An increase of 10% in earnings results in a R17.5 million increase in the fair value of ARC equity investment (post the discounts) and 10% decrease in the earnings results in a R51.3 million decrease in the fair value of ARC equity investment (post the discounts).

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2024

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		Capital Legacy	
	31 December 2024	30 June 2024	31 December 2024	30 June 2024
% equity held by Fund	16.68%	15.80%	9.73%	9.58%
% equity held by ARC Group	44.49%	42.30%	26.01%	25.60%
30-day VWAP	7.42	7.01	-	-
Spot price	8.15	7.38	-	-
Gross equity investment	1 469	1 324	717	709
Control premium	20%	20%	-	-
Marketability discount (considers BEE where applicable)	-	-	10%	10%
Minority	10%	10%	5%	5%
Net equity investment	1 587	1 430	613	605
Loans and other investments	-	-	-	-
Total intrinsic value of investment	1 587	1 430	613	605
Fair value adjustment (net of deferred tax)	85	291	(1)	168
Valuation information:				
IFRS 13 fair value hierarchy	Level 1	Level 1	Level 3	Level 3
Valuation methodology	Listed share prices	Listed share prices	Embedded value	Embedded value
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				Embedded value
Input variable 1				VNB multiple
Sensitivity of key inputs:				
Input 1				1%
Input variable 1				VNB multiple
	R3.9 million increase (decrease) in fair value per 1% increase in VNB multiple.		R3.9 million increase (decrease) in fair value per 1% increase in VNB multiple.	

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2024

5.2 FINANCIAL SERVICES PORTFOLIO VALUATION INPUTS *continued*

	INSURANCE AND ASSET MANAGEMENT	
Details of valuation inputs	Sanlam Third-party Asset Management (Pty) Ltd	
R million	31 December 2024	30 June 2024
% equity held by Fund	9.38%	9.40%
% equity held by ARC Group	25.00%	25.00%
Gross equity investment	471	412
Control premium	20%	20%
Marketability discount (considers BEE where applicable)	15%	15%
Minority	15%	15%
Net equity investment	407	357
Loans and other investments	–	–
Total intrinsic value of investment	407	357
Fair value adjustment (net of deferred tax)	41	(7)
Valuation information:		
IFRS 13 fair value hierarchy	Level 3	Level 3
Valuation methodology	PE multiple	PE multiple
Portfolio entity disclosures:		
Sector grouping		PE Multiple
Listed/Unlisted		Unlisted
BEE lock-in period		None
Assumptions and sensitivities		
Key inputs:		
Input 1	PE multiple	PE Multiple
Input variable	7.78	7.57
Sensitivity of key inputs:		
Input 1 variable	10% increase in PE multiple will result in an increase of R39 million in fair value. 10% decrease in PE multiple will result in a decrease of R39 million in fair value.	10% increase in PE multiple will result in an increase of R37 million in fair value. 10% decrease in PE multiple will result in a decrease of R37 million in fair value.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2024

5.3 TYME SA HOLDINGS AND TYME GROUP AFRICA PTE

Previously, TymeBank and Tyme Global were disclosed as a single investment due to their shared ownership, strategy, and management structure. However, following the successful completion of a US\$250 million Series D funding round led by Nubank, the oversight and evaluation of TymeBank and Tyme Global have become distinct. As part of this capital raise, the ARC Group proportionally took up more shares in Tymbank SA than in Tyme Global to better align shareholder interests. Consequently, they are now disclosed separately for the period ending 31 December 2024.

		BANKING			
Details of valuation inputs		TymeBank (held through Tyme SA Holdings) *		Tyme Global (held through Tyme Asia Holdings)*	
R million		31 December 2024	30 June 2024	31 December 2024	30 June 2024
% of effective equity held by Fund		15.90%	25.98%	12.60%	23.89%
% of effective equity held by ARC Group		42.30%	50.04%	33.60%	42.85%
Gross equity investment		2 257	3 502	1 193	947
Minority discount		Already considered in recent transaction value	Already considered in recent transaction value	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	Implicitly considered in recent transaction price	Implicitly considered in recent transaction price
Net equity investment		2 253	3 502	1 193	947
Loans and other investments		4	–	–	–
Total intrinsic value of investment		2 257	3 502 ¹	1 193	947 ³
Fair value adjustment (net of deferred tax)		(326)	1 181 ²	346	(90) ⁴
Valuation information:					
IFRS 13 fair value hierarchy		Level 3	Level 3	Level 3	Level 3
Valuation methodology		Recent transaction**	Recent transaction**	Recent transaction**	Recent transaction**
Portfolio entity disclosures:					
Sector grouping		Banking		Banking	
Listed/Unlisted		Unlisted		Unlisted	
BEE lock-in period		None		None	
Other details					
Assumptions and sensitivities					
Key inputs:					
Input 1		Not applicable		Not applicable	
Input variable 1					
Sensitivity of key inputs					
Input 1					
Input variable					

* Tyme Group comprise of TymeBank and Tyme Asia Holdings. These investments were shown separately in the prior year.

** The valuation was based on the recently closed series D capital raise in the current reporting and series C + capital raise at 30 June 2024.

¹ The total value for TymeBank comprises of asset value held by ARC Fund amounting to R295 million and ARC FSH amounting to R3 207 million.

² The fair value gains for TymeBank comprises of asset value held by ARC Fund amounting to R62 million and ARC FSH amounting to R1 119 million.

³ The total value for Tyme Global comprises of asset value held by ARC Fund amounting to R229 million and ARC FSH amounting to R718 million.

⁴ The fair value losses for Tyme Global comprises of asset value held by ARC Fund amounting to R17 million and ARC FSH amounting to R73 million.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2024

6. OTHER EXPENSES

Notes	Unaudited 31 December 2024 R million	Unaudited 31 December 2023 R million	Audited 30 June 2024 R million
Details of other expenses are as follows:			
Listing costs	–	–	3
Audit fees	–	–	1
Directors fees	1	1	2
Other expenses	3	4	4
	4	5	10

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 2024 R million	Unaudited 31 December 2023 R million	Audited 30 June 2024 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 2024 R million	Unaudited 31 December 2023 R million	Audited 30 June 2024 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 2023 Performance Participation.	122	122	122
- 150 000 000 shares issued at R5.00.	750	750	750
- Conversion of 12 465 586 C shares for financial year ended 30 June 2024 Performance Participation	154	–	–
Total issued share capital at the end of the period/year	10 951	10 797	10 797
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 2024, 12 465 586 C shares were converted into A ordinary shares. At 31 December 2024, 4 937 202 723 C shares were outstanding. C shares are not listed. 12 465 586 Performance Participation shares were issued to UBI after the approval of the fee.	–	–	–

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 2024

7. CAPITAL continued

7.2 Earnings per share

	Unaudited 31 December 2024 R million	Unaudited 31 December 2023 R million	Audited 30 June 2024 R million
7.2.1 Reconciliation of reported earnings to headline earnings			
Earnings/Headline earnings of the Company (R million)	814	771	2 294
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)	1 518	1 506	1 506
Weighted average number of shares in issue during the year/period (million)	1 509	1 358	1 358
Diluted weighted average number of shares in issue during the year/period (million)	1 509	1 358	1 358
Diluted number of shares at the end of the year/period (million)	1 518	1 506	1 518
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			
Additional shares issued in November 2024: 12 465 586			
7.2.3 Earnings per share			
Basic earnings per ordinary share (cents)	54	51	152
Diluted earnings per ordinary share (cents)	54	51	151
Headline earnings per ordinary share (cents)	54	51	152
Diluted headline earnings per ordinary share (cents)	54	51	153

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.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2024

9. PERFORMANCE PARTICIPATION EXPENSE *continued*

	Unaudited 31 December 2024 R million	Unaudited 31 December 2023 R million	Audited 30 June 2024 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.	–	–	154
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 2024, 62 797 277 C shares were converted into A ordinary shares. At 31 December 2024, 4 937 202 723 C shares were outstanding.			
The Performance participation is based on non-market conditions			
Total Performance Participation expense	–	–	154

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 License 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. Pursuant to the enactment of the Finance Act 2018, with effect as from 1 January 2019, the deemed foreign tax credit has been phased out through the implementation of a new tax regime. Companies which had obtained their Global Business License on or before 16 October 2017, including the Company, have been grandfathered and would benefit from the deemed tax credit regime up to 30 June 2021.

Accordingly, the Company is entitled to a foreign tax credit equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritian tax ("Deemed tax credit") on its foreign source income resulting in an effective tax rate on net income of up to 3%, up to 30 June 2021. Further, the Company is exempted from income tax in Mauritius on profits or gains arising from sale of securities. In addition, there is no withholding tax payable in Mauritius in respect of payments of dividends to Shareholders or in respect of redemptions or exchanges of shares.

On 26 July 2024, the Mauritian Finance (Miscellaneous Provisions) Act 2024 was promulgated into law and requires an affected company, in every year, to pay to the Director-General, a Corporate Climate Risk Levy (CCR) equivalent to 2% of its chargeable income. The levy will be paid in respect of the year of assessment commencing on 1st July 2024.

The agreed view is that the CCR is substantially enacted from the time that it is promulgated into law, that is, 26 July 2024. The CCR remains a non-adjusting event which should be disclosed accordingly in accordance with IAS 10.21 (both for current tax and deferred tax) despite the fact that the CCR came into law before authorization of the financial statements and has retrospective effect.

	Unaudited 31 December 2024 R million	Unaudited 31 December 2023 R million	Audited 30 June 2024 R million
Losses carried forward amounting to R7 million at 31 December 2024 (30 June 2024: R48 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	–	–	–
Arising in Financial year 2021, carried forward up to 2026 financial year	–	–	–
Arising in Financial year 2022, carried forward up to 2027 financial year	48	101	101
Opening balance of losses at the end of the year/period	48	101	101
Losses utilised during the current financial year/period	(38)	(11)	(53)
Overprovision of losses in the prior financial year/period	(3)	–	–
Losses carried forward at the end of the reporting year/period	7	90	48
The taxation is reflected at a statutory rate of 15%			
Profit before taxation	814	771	2 294
Taxation at a statutory effective rate of 15% before foreign taxation credit	122	116	344
Tax reconciled	(122)	(116)	(344)
Income not subject to tax	(101)	(110)	(315)
Withholding tax gross up	1	–	1
Partial exemption on income	(36)	(21)	(57)
Expenses attributable to exempt income	20	17	35
Tax losses utilised	(6)	(2)	(8)
Effective income tax	–	–	–
No deferred tax asset was realised in respect of the tax losses incurred up to 31 December 2024, 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 period which has resulted in the utilisation of the carried forward losses of R38 million against these profits.			

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2024

11. RECONCILIATION OF CASH UTILISED IN OPERATIONS BEFORE INVESTMENTS MADE

	Notes	Unaudited 31 December 2024 R million	Unaudited 31 December 2023 R million	Audited 30 June 2024 R million
Profit before taxation		814	771	2 294
Adjustment for non-cash items		(817)	(775)	(2 302)
Fair value movements on the investment in the ARC Fund at FVTPL*	4.2	(817)	(775)	(2 456)
Performance Participation expense		–	–	154
Working capital movements		(1)	1	–
Increase/(decrease) in trade and other payables		(1)	1	–
Cash utilised in operations before investment activities		(4)	(3)	(8)

* FVTPL: Fair value through profit or loss

12. FINANCIAL INSTRUMENTS

12.1 Financial instruments in the Company are categorised as follows:

	31 December 2024			
R million	Financial asset at fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Financial assets	19 379	17	–	19 396
Investment in the ARC Fund at FVTPL	19 379	–	–	19 379
Cash and cash equivalents *	–	17	–	17
Financial liabilities	–	–	1	1
Trade and other payables *	–	–	1	1

	31 December 2023			
R million	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

	30 June 2024			
R million	Financial asset at fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Financial assets	18 562	21	–	18 583
Investment in the ARC Fund at FVTPL	18 562	–	–	18 562
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

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2024

12. FINANCIAL INSTRUMENTS

12.1 Financial instruments in the Company are categorised as follows:

	Unaudited 31 December 2024 R million	Unaudited 31 December 2023 R million	Audited 30 June 2024 R million
Change in portfolio equity prices			
+5%	19 268	16 471	18 367
Equity component being 90% (30 June 2024: 87%) of Reported IFRS Portfolio Value	18 350	15 686	17 492
- 5%	17 433	14 902	16 618
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 744 million (30 June 2024: R2 766 million).			
Change in interest rates			
+ 100 basis points	2 772	2 379	2 794
Interest-bearing loan assets and cash	2 744	2 356	2 766
- 100 basis points	2 717	2 332	2 739
Portfolio debt amounted to R1 639 million (30 June 2024: R1 725 million)			
Change in interest rates - annualised			
+ 100 basis points	(1 655)	(1 793)	(1 742)
Interest-bearing loan assets and cash	(1 639)	(1 775)	(1 725)
- 100 basis points	(1 623)	(1 757)	(1 708)

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 (90% at 31 December 2024; 87% 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.

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 18% (30 June 2024: 16.3%) 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 2024		31 December 2023		30 June 2024	
	Currency value million	SA Rand R million	Currency value million	SA Rand R million	Currency value million	SA Rand R million
British Pound	1	18	2	45	1	31
United States Dollar	189	3 540	142	2 646	179	3 257
		3 558		2 691		3 288
Impact of 5% change in GBP rate		1		2		2
Impact of 5% change in USD rate		177		132		163

Credit risk

The Company is exposed to credit risk through the ARC Fund portfolio and the counterparties of the financial instruments in the portfolio. 14% 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.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2024

12.2.2 Other risks continued

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 in June 2023 and in August 2024 to R2 billion. The Credit Facility with RMB bears interest at three-month JIBAR plus 3.25% and matures three years from the amendment date. R425 million of the facility was undrawn at 31 December 2024.

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 2024 R million	Fair value at 31 December 2023 R million	Fair value at 30 June 2024 R million
Acorn Agri and Food	515	235	428
Fledge Capital Investments	576	584	583
Rain	5 639	4 819	5 240
ARC FSH	6 529	5 983	6 746
ARC Investments	1 054	–	–
	14 313	11 621	12 997

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 R7.5 billion. The Net Asset Value of the ARC Fund at 31 December 2024 amounted to R19.4 billion. During the period under review, the ARC Fund complied with the relevant covenants of the facility.

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 42.89% owned by African Rainbow Capital Proprietary Limited (ARC), which in turn is 100% owned by UBI. UBI effectively owns 57.0% 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 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 2024

13. RELATED PARTY DISCLOSURES *continued*

	31 December 2024		31 December 2023		30 June 2024	
	Transactions during the six-months R million	Balance due from/ (to) as at 31 December 2024 R million	Transactions during the six-months R million	Balance due from/ (to) as at 31 December 2023 R million	Transactions during the year R million	Balance due from/ (to) as at 30 June 2024 R million
UBI						
Issue of A shares (Note 7.1) ¹	154	–	122	–	122	–
The ARC Fund						
Investment in ARC Fund at FVTPL (Note 4.1)	–	19 379	775	16 123	742	18 562
General Partner						
Fund management fees accrued for the period/year (Note 4.2)	(65)	(65)	(50)	(50)	(112)	(55)
Directors' interest ²						
Total Directors' interest – 365 882 (June 2024: 372 521) shares in the Company at a 0.02%						
MC Olivier – 305 882 (June 2024: 305 882) shares in the Company at a 0.020% (June 2024: 0.023%) interest	n/a	n/a	n/a	n/a	n/a	n/a
MR Nkademeng – 66 639 (June 2024: 66 639) shares in the Company at a 0.004% (June 2024: 0.005%) interest	n/a	n/a	n/a	n/a	n/a	n/a
Key management personnel						
MC Olivier fees accrued	(0.2)	(0.4)	(0.2)	(0.4)	(0.5)	(0.5)
– fees paid to MC Olivier	–	0.2	–	0.2	0.3	0.3
C Msipha fees accrued	(0.2)	(0.4)	(0.2)	(0.4)	(0.5)	(0.5)
– fees paid to C Msipha	–	0.2	–	0.2	0.3	0.3
R Mokate fees accrued	(0.2)	(0.4)	(0.2)	(0.4)	(0.5)	(0.5)
– fees paid to R Mokate	–	0.2	–	0.2	0.3	0.3
A Currimjee fees accrued	(0.2)	(0.4)	(0.2)	(0.4)	(0.5)	(0.5)
– fees paid to A Currimjee	–	0.2	–	0.2	0.3	0.3
MIR Nkademeng (paid by the holding company, ARC)	(6.2)	–	5.7	5.7	7.5	7.5
– Salary	(1.8)	–	(1.7)	(1.7)	(3.5)	(3.5)
– Short-term and long-term incentives	(4.4)	–	(4)	(4)	(4)	(4)
K Bodenstein executive salary accrued	(0.3)	(0.3)	(0.3)	(0.3)	(0.6)	(0.6)
– salary paid to K Bodenstein	0.3	0.3	0.3	0.3	0.6	0.6

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 reporting period to the date of this report.

NOTES TO THE FINANCIAL STATEMENTS

For the six-months ended 31 December 2024

14. COMMITMENTS

As at the six month period ended 31 December 2024, 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. As at 31 December 2024, the ARC Fund had contributed USD40.5 million with a remaining commitment balance of USD9.5 million.

15. SUBSEQUENT EVENTS

Alexforbes

Due to the cancellation of shares in Alexforbes the shareholding of ARC FSI increased from 44.49% to 45.83% of the total issued ordinary shares of AlexForbes.

Proposed delisting and re-domiciliation of African Rainbow Capital Investments Limited and offer to shareholders

Shareholders are referred to the simultaneous announcement by African Rainbow Capital Investments Limited ("ARCI") today, Tuesday, 18 March 2025 regarding a conditional cash offer by African Rainbow Capital Proprietary Limited and K2025167229 (South Africa) Proprietary Limited, as joint offerors, to ARCI shareholders to acquire all the issued shares in ARCI, not already owned by the joint offerors, proposed delisting of ARCI's shares on the JSE and A2X stock exchanges and proposed re-domiciliation of ARCI from Mauritius to South Africa.

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 for the foreseeable future 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 reporting period 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
IFRS 18, Presentation and Disclosure in Financial Statements.	Summary of amendment	1 January 2027
	IFRS 18 replaces IAS 1 'Presentation of Financial Statements' and focuses on updates to the statement of profit or loss with a focus on the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures).	
	Summary impact on the Company	
	It is expected that this amendment will not have a material impact.	

II = SHAREHOLDERS' DIARY

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

Details	Date
Interim results announcement	18 March 2025
Financial year end	30 June 2025
Year-end results announcement	September 2025
Integrated Annual Report published	October 2025
Annual General Meeting	November 2025

III = CORPORATE INFORMATION

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	AIL
ISIN code	MU0553S00000
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, South Africa
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
Investor Relations	investors@arci.mu +230 (403) 0800 +27 (21) 180 0100 +27 (10) 900 0200
Interim Financial Statements Compilation	Design of the ARC Investments Interim Financial Statements – Idea Exchange



www.arci.mu