

SABVEST CAPITAL LIMITED

(Incorporated in South Africa)

(Registration number 2020/030059/06)

Share code: SBP

ISIN: ZAE000283511

(“Sabcap”)

SABCAP’S PROPOSED INVESTMENT IN ARB THROUGH MEH AND MASIMONG

Sabcap shareholders are referred to the announcement released on the Stock Exchange News Service (SENS) on 25 January 2022, in which they were advised that Sabcap has made investment commitments of R223,5m to a subsidiary of Masimong Group Holdings Proprietary Limited (Masimong), in which subsidiary it has also acquired a 49,9% equity interest.

Shareholders are advised that the subsidiary concerned is Masimong Electrical Holdings Proprietary Limited (MEH).

Shareholders’ attention is drawn to the SENS announcement today by ARB Holdings Limited (ARB) that it has received a firm intention offer from MEH, supported by the requisite guarantee to the TRP (issued by FirstRand Bank Limited), to acquire all the shares in ARB not held by the Alan Burke family and associates by way of a scheme of arrangement and a subsequent delisting of ARB from the JSE (Offer).

The ARB shares that are subject to the Offer total 87 107 061, representing 37,07% of the ARB shares in issue (Offer Shares). The Offer price is 800 cents per share, resulting in a total Offer consideration of R696,9m (before Offer related costs).

If the Offer is successfully implemented, Sabcap will have an indirect, look-through equity interest of 20,36% in ARB, comprising 18,5% through its 49,9% interest in MEH and 1,86% through its 10% shareholding in Masimong.

ARB was founded by Alan Burke in 1980. It is a holding company for businesses engaged in the trading and distribution of electrical, lighting and related products to the contracting, mining, industrial, construction, parastatal, retail and domestic markets in South and Southern Africa.

The audited results of ARB for the year ended 30 June 2021 are available on SENS and on the ARB website. In summary:

- * Gross revenue for the year was R2,923m
- * Comprehensive Income attributable to ordinary shareholders was R192m
- * Equity attributable to ordinary shareholders was R1,236m
- * Per share metrics were HEPS 82,49 cents, EPS 81,45 cents and NAV 526 cents
- * The number of shares in issue was 235m

Sandton

27 January 2022

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)