

NIVEUS INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1996/005744/06)

Share code: NIV

ISIN: ZAE000169553

("Niveus" or the "Company")

UPDATE ON ACQUISITION OF GOLDEN ARROW BUS SERVICES

1. Shareholders are referred to the Company's SENS announcement on 14 September 2017 ("**Transaction Announcement**"), advising that a subsidiary of Niveus, La Concorde Holdings Limited ("**La Concorde**"), an indirect wholly-owned subsidiary of La Concorde, Niveus Invest 17 Proprietary Limited ("**Newco**"), and Hosken Consolidated Investments Limited ("**HCI**") have entered into a binding memorandum of agreement for the acquisition by Newco, from HCI, of all issued shares in Hosken Passengers Logistics and Rail Proprietary Limited ("**HPLR**"), a company that will own inter alia 100% of the issued share capital of Golden Arrow Bus Services Proprietary Limited ("**GABS**"), in exchange for the issue of Newco shares to HCI ("**GABS Acquisition**"), as well as to the Company's subsequent SENS announcement on 13 November 2017, relating to the anticipated posting date of the GABS Acquisition circular to shareholders.
2. The Transaction Announcement contains the material terms of the GABS Acquisition and indicated that the full terms and conditions would be recorded in the transaction agreements. In this regard, shareholders are advised that, on 29 November 2017, the abovementioned parties entered into an asset for share agreement to record the full terms and conditions of the GABS Acquisition ("**GABS Acquisition Agreement**").
3. The terms of the GABS Acquisition remain as set out in the Transaction Announcement, save in respect of the following:
 - 3.1. the GABS Acquisition will become effective on the first business day of the month immediately after the month during which the last condition precedent has been fulfilled or waived (to the extent legally permissible), it currently being anticipated that this will occur on 1 February 2018 ("**Effective Date**");
 - 3.2. the warranty referred to in paragraph 8.1.1.2 of the Transaction Announcement has been expanded upon, with the parties agreeing that HPLR and/or GABS may, prior to the Effective Date, make distributions to HCI in its capacity as shareholder of HPLR and/or GABS, out of the cash available for distribution, in an amount(s) which would not cause the aggregate distributions to HCI for the financial year ending 31 March 2018 to exceed R120 000 000, provided that the board must satisfy itself that HPLR will be able to meet its anticipated working capital requirements over the immediately succeeding 12 month period, without the need for any shareholder funding; and
 - 3.3. the Transaction Announcement indicated that Newco will, prior to implementation of the GABS Acquisition, hold approximately R1.2 billion in cash and/or cash equivalents. This amount has reduced to approximately R1.1 billion under the GABS Acquisition Agreement.

4. With reference to the conditions precedent to the GABS Acquisition, as detailed in the Transaction Announcement:

- 4.1. Newco has successfully completed its due diligence investigation into the affairs of HPLR, with the result that the condition precedent in paragraph 5.1 of the Transaction Announcement has been fulfilled;
- 4.2. the conditions precedent in paragraphs 5.3 and 5.4 of the Transaction Announcement have been removed;
- 4.3. the GABS Acquisition is not subject to regulatory approval, with the result that the condition precedent in paragraph 5.13 of the Transaction Announcement is not applicable and has been removed,

it being recorded that the GABS Acquisition Agreement has introduced the following new conditions precedent:

- 4.4. that HCI's funders unconditionally approve the GABS Acquisition, in accordance with the relevant funding documents, or approve the GABS Acquisition subject to such conditions as are acceptable to HCI;
- 4.5. that the funders of HPLR and of its subsidiaries unconditionally approve the GABS Acquisition in accordance with the relevant funding documents, or approve the GABS Acquisition subject to such conditions as are acceptable to HCI and Newco, if and to the extent required in terms of such funding documents; and
- 4.6. should HCI elect that the GABS Acquisition Agreement be conditional on the execution of the KWV Assignment Agreement, such agreement being concluded on terms acceptable to Newco and HCI and becoming unconditional, save for any condition requiring that the GABS Acquisition Agreement becomes unconditional,

with the above new conditions, together with the remaining conditions precedent detailed in the Transaction Announcement, having to be fulfilled by the longstop date of 30 January 2018 or such later date as may be agreed to by the parties.

As previously announced, the terms of the GABS Acquisition are to be detailed in a circular to shareholders, it being anticipated that such circular will be distributed to shareholders during the course of December 2017.

Cape Town
30 November 2017

Sponsor and Corporate Advisor
PSG Capital