

Brimstone Investment Corporation Limited
(Incorporated in the Republic of South Africa)
Registration number 1995/010442/06
Share Code: BRT ISIN: ZAE000015277
Share Code: BRN ISIN: ZAE000015285
("Brimstone" or the "Company")

Voluntary Quarterly Intrinsic Net Asset Value ("NAV") disclosure

A full analysis of the Intrinsic NAV, together with applicable explanations for the quarter ended 31 March 2020 is set out below.

Summary	Change Dec 2019 to Mar 2020 (%)	31 March 2020	31 December 2019	31 December 2018	31 December 2017	31 December 2016
Intrinsic NAV of Brimstone (Rm)	(23.5)	2 559.2	3 344.5	3 899.6	4 317.9	5 133.9
Book NAV (Rm)	(4.8)	2 394.4	2 516.2	2 713.4	2 782.0	2 427.1
Intrinsic NAV per share (cents) ¹	(23.3)	1 087.0	1 417.3	1 615.1	1 800.9	2 139.5
Fully diluted Intrinsic NAV per share (cents) ¹	(23.6)	1 075.6	1 408.3	1 598.8	1 750.9	2 043.1
Book NAV per share (cents)	(4.8)	1 104.7	1 066.3	1 123.8	1 160.3	1 011.5
Market price per share (cents)						
Ordinary shares	(2.0)	750	765	1 050	1 300	1 299
'N' Ordinary shares	(20.0)	620	775	949	1 125	1 200
Discount to Intrinsic NAV						
Ordinary shares		31.0%	46.0%	35.0%	27.8%	39.3%
'N' Ordinary shares		43.0%	45.3%	41.2%	37.5%	43.9%

Intrinsic NAV analysis by asset

An analysis of the Intrinsic NAV of Brimstone as at 31 March 2020 is set out below, including the valuation basis of each asset. Where applicable, Intrinsic NAV is net of ring-fenced debt and potential CGT relating to that asset.

Asset	% held	Share price at 31 March 2020	Share price at 31 December 2019	Valuation basis	Gross value (R'000)	Debt (R'000)	CGT (R'000)	March 2020 Intrinsic NAV (R'000)	March 2020 INAV/ share (cents)	Gross portfolio weighting (%)	December 2019 Intrinsic NAV (R'000)	December 2018 Intrinsic NAV per share (cents)	Increase / (Decrease) (%)
Oceana	24.9%	55.00	61.55	Market value per share	1 787 891	(521 513)	(94 023)	1 172 355	497.9	26.6	1 349 405	571.8	(12.9)
Sea Harvest ²	54.2%	13.00	14.55	Market value per share	2 073 096	-	-	2 073 096	880.5	30.9	2 320 273	983.3	(10.4)
Life Healthcare ⁵	3.4%	18.46	24.65	Market value per share	913 730	(1 275 344)	(180 907)	(542 522)	(230.4)	13.6	(279 758)	(118.6)	94.4
Life Healthcare Zero Cost Collar ⁶	100%			Option valuation	439 397	-	(98 425)	340 972	144.8	6.5	94 001	39.8	263.6
Equites	5.8%	16.55	20.00	Market value per share	577 538	-	(28 568)	548 969	233.2	8.6	642 394	272.2	(14.3)
Grindrod Shipping	0.0%	56.17	97.00	Market value per share	-	-	-	-	-	0.0	-	-	0.0
Phuthuma Nathi	5.6%	84.50	107.40	Market value per share	320 327	-	-	320 327	136.1	4.8	421 989	178.8	(23.9)
Multichoice Group	0.1%	84.38	116.50	Market value per share	39 682	-	-	39 682	16.9	0.6	105 170	44.6	(62.2)
Stadio & Milpark	5.3%	1.20	2.00	Market value per share & cost	92 869	-	-	92 869	39.4	1.4	127 721	54.1	(27.1)
Investment properties	100.0%			Capitalisation rate	71 234	-	-	71 234	30.3	1.1	71 234	30.2	0.2
FPG Property Fund	10.0%			Book value	175 106	-	(9 473)	165 633	70.3	2.6	164 852	69.9	0.7
Lion of Africa	100.0%			Book value	-	-	-	-	-	0.0	-	-	0.0
MTN Zakhele Futhi	1.5%	12.15	13.20	Market value per share	22 098	-	-	22 098	9.4	0.3	24 008	10.2	(7.7)
Aon Re Africa	18.0%			PE valuation	74 308	-	(14 857)	59 450	25.3	1.1	40 835	17.3	45.9
House of Monatic	100.0%			Adjusted book value	23 516	-	-	23 516	10.0	0.4	23 516	10.0	0.2
Other investments	Various			Valuation	160 674	-	(14 726)	145 948	62.0	2.4	99 612	42.2	46.8
Cash / (net debt)	100.0%			Book value	(61 145)	(2 073 943)	160 704	(1 974 384)	(838.6)	(0.9)	(1 855 906)	(786.5)	6.6
					6 710 319	(3 870 800)	(280 276)	2 559 244	1 087	100.0	3 349 345	1 419	(23.4)
Grindrod – BEE ^{3,4}	6.1%	4.45	7.46	Market value per share	206 302	(978 468)	-	-	-				
					6 916 622	(4 849 267)	(280 276)	2 559 244	1 087				
Intrinsic NAV per share (cents)					2 850	(1 644)	(119)	1 087					

Asset	% held	Share price at 31 March 2020	Share price at 31 December 2019	Valuation basis	Gross value (R'000)	Debt (R'000)	CGT (R'000)	March 2020 Intrinsic NAV (R'000)	March 2020 INAV/ share (cents)	Gross portfolio weighting (%)	December 2019 Intrinsic NAV (R'000)	December 2018 Intrinsic NAV per share (cents)	Increase / (Decrease) (%)
Fully diluted Intrinsic NAV per share (cents)					2 815	(1 622)	(117)	1 076					

Notes:

1. Based on 235 million shares (December 2019: 236 million shares) in issue, net of treasury shares as calculated below:

	Number of shares in issue	Fully diluted number of shares
Gross number of shares in issue	251 188 321	251 188 321
Treasury shares (fully diluted number is net of notionally realised shares issued to staff and management share trusts and FSPs)	(15 744 390)	(12 591 841)
Net shares in issue for INAV purposes	<u>235 443 931</u>	<u>238 596 480</u>

2. No CGT provided on shareholding in Sea Harvest due to potential use of the corporate relief provisions of the Income Tax Act.

3. Due to the limited recourse nature of the Grindrod BEE funding structure, Brimstone's investment is shown at a minimum value of zero.

4. Brimstone now holds a combination of Grindrod Limited and Grindrod Shipping shares. Price shown calculated on a pro forma basis.

5. Brimstone has entered into a securities lending arrangement with Nedgroup Securities. At the end of the lending arrangement, Nedgroup Securities will be obligated to return the shares to Brimstone.

6. The Zero Cost Collar derivative over Life Healthcare investment was valued as at 31 March 2020.

The INAV information presented has been prepared on a basis consistent with that used in the integrated report for the year ended 31 December 2019, which is available on the Company's website at www.brimstone.co.za.

The above information is the responsibility of the directors and has not been reviewed or reported on by the Company's auditors.

31 July 2020

Sponsor

Nedbank Corporate and Investment Banking