

SUMMARY OF UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2020 AND CASH DIVIDEND DECLARATION

SALIENT FEATURES

- Headline earnings per share from continuing operations: down by 52.7% to 247.4 cents
- Total headline earnings per share: down by 67.1% to 247.4 cents
- Earnings per share: down by 71.1% to 221.2 cents
- Interim dividend per share: 30 cents
- Intrinsic net asset value per share as at 31 December 2020: R161.98

COVID-19

The second wave of Covid-19 in the second half of 2020 hit South Africa harder than expected, bringing with it a new variant with higher infection rates and greater severity of symptoms. This led to the imposition of further lockdown measures in order to slow down the spread of the disease and ease pressure on the healthcare system. All this has had a devastating effect on millions of South Africans with lives and livelihoods being lost, household finances decimated and many going hungry in large parts of the country.

Managing within this crisis continues to be Remgro and its investee companies' single biggest priority. Remgro's focus is on the factors within its control, the health and well-being of its people, ensuring that its investments have the most robust financial positions to support business continuity and ensuring that the underlying investee companies that are in a position to offer help to the country, are empowered to do so. As a response to the call for the support of all social partners in finding effective solutions for a vaccination programme, Remgro, together with its investee companies in the medical and logistics sectors have been actively assisting Government in its efforts to urgently establish and execute an effective vaccination programme for all South Africans.

RESULTS IN CONTEXT

The results for the six months to 31 December 2020 are not directly comparable with the six months to 31 December 2019, which related to a pre-Covid-19 period. Headline earnings for the period under review was significantly affected by the decreased contribution of Mediclinic International plc (Mediclinic) (down by 80.2%), which includes the full impact of the Covid-19-related lockdown measures on its results for the six months to 30 September 2020. Furthermore, due to the accounting reclassification of FirstRand Limited (FirstRand) from an equity accounted investment to an investment at fair value through other comprehensive income, no earnings from FirstRand were accounted for in the period under review, whereas R548 million was included in the comparative period. As a result of the Covid-19 pandemic, FirstRand did not pay any dividends during the period under review. Excluding Mediclinic and FirstRand, the rest of Remgro's investment portfolio had a resilient performance during the Covid-19 pandemic with their contribution to Remgro's headline earnings decreasing by only 7.7%.

RESULTS

For the period under review, total headline earnings decreased by 67.0% from R4 242 million to R1 398 million, while total headline earnings per share (HEPS) decreased by 67.1% from 750.9 cents to 247.4 cents. During June 2020, Remgro unbundled its 28.2% interest in RMB Holdings Limited (RMH) (RMH Unbundling) and, consequently, the investment in RMH was treated as a discontinued operation for the year ended 30 June 2020. As a result, headline earnings is also presented for continuing operations and discontinued operations for the period under review and, accordingly, discontinued operations for the comparative six months to 31 December 2019 include the equity accounted income of RMH.

Headline earnings from continuing operations decreased by 52.6% from R2 952 million to R1 398 million, while HEPS from continuing operations decreased by 52.7% from 522.5 cents to 247.4 cents. The decrease in headline earnings from continuing operations is mainly due to lower contributions by Mediclinic and FirstRand, as well as lower interest income, due to the 300 basis points reduction in interest rates since January 2020.

INTRINSIC NET ASSET VALUE

Remgro's intrinsic net asset value per share increased by 4.9% from R154.47 at 30 June 2020 to R161.98 at 31 December 2020. The closing share price at 31 December 2020 was R96.20 (30 June 2020: R99.90) representing a discount of 40.6% (30 June 2020: 35.3%) to the intrinsic net asset value.

DECLARATION OF CASH DIVIDEND NO. 41

Notice is hereby given that an interim gross dividend of 30 cents (2019: 215 cents) per share has been declared out of income reserves in respect of both the ordinary shares of no par value and the unlisted B ordinary shares of no par value, for the six months ended 31 December 2020. The interim dividend was adjusted downwards to take into account the RMH Unbundling and the impact of the Covid-19 pandemic.

A dividend withholding tax of 20% or 6 cents per share will be applicable, resulting in a net dividend of 24 cents per share, unless the shareholder concerned is exempt from paying dividend withholding tax or is entitled to a reduced rate in terms of an applicable double-tax agreement.

The issued share capital at the declaration date is 529 217 007 ordinary shares and 39 056 987 B ordinary shares. The income tax number of the Company is 9500-124-71-5.

Dates of importance:

Last day to trade in order to participate in the dividend	Tuesday, 20 April 2021
Shares trade ex dividend	Wednesday, 21 April 2021
Record date	Friday, 23 April 2021
Payment date	Monday, 26 April 2021

Share certificates may not be dematerialised or rematerialised between Wednesday, 21 April 2021, and Friday, 23 April 2021, both days inclusive.

In terms of the Company's Memorandum of Incorporation, dividends will only be transferred electronically to the bank accounts of shareholders. In the instance where shareholders do not provide the Transfer Secretaries with their banking details, the dividend will not be forfeited, but will be marked as "unclaimed" in the share register until the shareholder provides the Transfer Secretaries with the relevant banking details for payout.

DIRECTORS' STATEMENT

The directors, who take responsibility for the contents of this short-form announcement, present the unaudited results of Remgro for the six months ended 31 December 2020. The preparation of the Group's consolidated results was supervised by the Chief Financial Officer, Neville Williams CA(SA).

The financial information in this short-form announcement is a summary only and does not contain full details of the financial results. Accordingly, any investment decisions should be based on information contained in the full announcement, published and available at <https://senspdf.jse.co.za/documents/2021/JSE/ISSE/REM/REMDec2020.pdf> and on the Company's website at www.remgro.com.

RESULTS WEBCAST AND PRESENTATION

Shareholders and other interested parties are invited to join management in discussing Remgro's interim results via webcast at 09:00 am SAST on Thursday, 25 March 2021 at the following link:

<https://themediiframe.net/remgro10038646>

Signed on behalf of the Board of Directors.

Johann Rupert
Chairman

Jannie Durand
Chief Executive Officer

Stellenbosch
Approved by the Board: 24 March 2021
SENS release date: 25 March 2021

DIRECTORATE

Non-executive directors

Johann Rupert (*Chairman*), F Robertson* (*Deputy Chairman*),
S E N De Bruyn*, N P Mageza*, J Malherbe, P J Moleketi*,
M Morobe*, P J Neethling, G G Nieuwoudt*,
K M S Rantloane*, A E Rupert
(* *Independent*)

Executive directors

J J Durand (*Chief Executive Officer*),
M Lubbe, N J Williams

CORPORATE INFORMATION

Secretary

D I Dreyer

Listing

JSE Limited

Sector: Financials – Financial Services – Investment Banking and Brokerage Services – Diversified Financial Services

Business address and registered office

Millennia Park, 16 Stellentia Avenue, Stellenbosch 7600
(PO Box 456, Stellenbosch 7599)

Transfer Secretaries

Computershare Investor Services Proprietary Limited,
Rosebank Towers, 15 Biermann Avenue, Rosebank 2196
(Private Bag X9000, Saxonwold 2132)

Auditors

PricewaterhouseCoopers Inc.
Stellenbosch

Sponsor

Rand Merchant Bank (A division of FirstRand Bank Limited)

ACCESS TO INFORMATION

The financial results:

- can be viewed on www.jse.co.za;
- can be viewed online at www.remgro.com;
- are available for inspection at the Company's registered office and the offices of the sponsor at no charge, during normal business hours from 25 March 2021; or
- may be requested in printed format from Ms D I Dreyer, tel: +27 21 888 3373.

FOR MORE INFORMATION

www.remgro.com