



RH Bophelo Limited
Incorporated in the Republic of South Africa
(Registration number: 2016/533398/06)
JSE and RSE share code: RHB, ISIN: ZAE000244737
("RH Bophelo" or "the Company")

SIGNING OF A SHARE DISPOSAL AGREEMENT RESULTING IN OLD MUTUAL INSURE LIMITED ("OLD MUTUAL") ACQUIRING A 30% SHAREHOLDING IN GENRIC INSURANCE COMPANY LIMITED ("GENRIC") FROM RH FINANCIAL SERVICES PROPRIETARY LIMITED, A SUBSIDIARY OF RH BOPHELO LIMITED

1. INTRODUCTION

RH Bophelo Limited is pleased to announce the signing of a share disposal agreement on 31 August 2022 that will see Old Mutual acquire 100% of Genric. RH Bophelo Limited's through its subsidiary RH Financial Services Proprietary Limited's ("RHFS") owns thirty percent (30%) shareholding in Genric ("the Transaction"). The remaining 70%, held by other shareholders have also agreed to the disposal. The sale for RH Bophelo's interest is for a total cash consideration of eighty-nine million, nine hundred and ninety-nine thousand eight hundred and eighty Rand (R89,999,880).

2. INFORMATION ON GENRIC

Genric is a licensed non-life insurer that partners with and holds ordinary equity interests in a number of specialists underwriting management agencies, start-up businesses and insure-tech innovators.

The following financial information of Genric for the year ended 30 June 2022, based on unaudited management accounts were prepared in compliance with IFRS is:

Net asset value – R188,1 million; and
Profit after tax – R27,8 million.

3. RATIONALE OF THE TRANSACTION

RHFS and Genric own Wesmart Financial and Administration Solutions ("Wesmart"), an underwriting management agency, focused on medical insurance products. This transaction brings RHFS closer to an underwriter (Old Mutual) with increased capacity to address the growth market of health insurance. While adhering to the RHB mission of providing access to quality healthcare for all. Wesmart is 60% owned by RHFS and 40% owned by Genric.

With respect to Old Mutual's purchase of Genric, brings not only an ability to rapidly test and scale new product ideas for Wesmart but also access to a new customer base in accident, health, and medical insurance.

The proceeds on the sale will be used to continue RH Bophelo investment programme in healthcare sector.



4. SALIENT TERMS OF THE TRANSACTION

The effective date of Transaction is subject to the remaining regulatory approvals, being Prudential Authority and Competition Commission. The remaining conditions precedent in terms of the Transaction which are to be fulfilled by no later than 30 November 2022 (or such later date as the parties may agree to in writing).

The agreement contains warranties which are standard for a transaction of this nature.

5. CATEGORISATION

The Transaction is executed in pursuant to RH Bophelo's investment policy and therefore does not require shareholder approval. RH Bophelo is classified as an investment entity in terms of section 15 of the JSE Listings Requirements.

By order of the Board
Johannesburg
5 September 2022

Company Secretary: Corporate Vision Consulting Proprietary Limited
JSE Sponsor: Deloitte & Touche Sponsor Services Proprietary Limited
Rwanda sponsor: Faida Securities Rwanda Limited