

RAND MERCHANT INVESTMENT HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
Registration number: 2010/005770/06
ISIN: ZAE000210688
Share code: RMI
("RMI" or "the group")

TRADING STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

Paragraph 3.4 (b) of the JSE Listings Requirements requires companies to publish a trading statement as soon as they become reasonably certain that their financial results for the period to be reported on next will differ by at least 20% from those of the previous corresponding period.

Shareholders are referred to RMI's trading statement released on the Stock Exchange News Service (SENS) on 27 June 2022 where the accounting treatment of RMI's investments in Hastings Group (Consolidated) Limited (Hastings), Discovery Limited (Discovery) and Momentum Metropolitan Holdings Limited (Momentum Metropolitan) was explained as follows:

- The earnings of Hastings are equity accounted until 8 December 2021, the effective date of the sale. The proceeds on the sale of Hastings were utilised to, inter alia, repay all the group's outstanding preference share debt.
- The earnings of Discovery and Momentum Metropolitan are also equity accounted until 8 December 2021, the date on which the unbundling of RMI's shareholdings in these entities met the accounting definition of being highly probable.
- The financial results of all these investee companies are treated as discontinued operations in the RMI group financial results.

The unbundling of RMI's shareholdings in Discovery and Momentum Metropolitan was finalised on 25 April 2022.

The following non-recurring, material items, originating from the sale of Hastings and the unbundling of RMI's shareholdings in Discovery and Momentum Metropolitan, influence RMI's financial results for the year ended 30 June 2022 (current period):

- The profit on the sale of Hastings of R4.7 billion (including reclassification of accumulated comprehensive income to the income statement), which is excluded from headline earnings and normalised earnings.
- The gain on the distribution of RMI's shareholdings in Discovery and Momentum Metropolitan of R15.2 billion (including reclassification of accumulated comprehensive income to the income statement), which is also excluded from headline earnings and normalised earnings. This amount comprises the difference between the carrying amount and the fair value of the investments in Discovery and Momentum Metropolitan on 20 April 2022, the first day RMI shares traded "ex" the entitlement to receive the unbundled Discovery and Momentum Metropolitan shares and the cumulative comprehensive income reclassified to the income statement.

The following guidance is provided to RMI shareholders regarding the group's expected earnings for the year ended 30 June 2022:

	Reported year ended 30 June 2021 (cents)	Guidance for the year ended 30 June 2022 Expected % increase/ (decrease)	Expected range (cents)
Normalised earnings per share	231.4	(12%) to (22%)	180.5 to 203.6
Headline earnings per share	191.6	(7%) to (17%)	159.0 to 178.2
Earnings per share	189.2	668% to 678%	1 453.1 to 1 472.0

RMI regards normalised earnings (which excludes non-operational items and accounting anomalies) as the key indicator of the group's operational performance.

The financial information on which this trading statement is based has not been reviewed and reported on by the group's external auditor.

RMI's financial results for the year ended 30 June 2022 are expected to be released on SENS on Thursday, 22 September 2022.

Rosebank
20 September 2022

Sponsor
RAND MERCHANT BANK (A division of FirstRand Bank Limited)