

RMB Holdings Limited (RMH)  
(Incorporated in the Republic of South Africa)  
Registration number: 1987/005115/06  
JSE ordinary share code: RMH  
ISIN code: ZAE000024501  
Sector: Financials  
ICB Sector: Diversified financial services

## CONDENSED UNAUDITED INTERIM FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022 AND TRADING STATEMENT

### ABOUT RMH

#### Who we are

RMH is a JSE Limited (JSE) listed investment holding company with a track record of investing in disruptive and entrepreneurial businesses, complemented by innovative corporate actions.

We seek to instil the values and ethos that have defined the successes of RMH and Rand Merchant Investment Holdings Limited (RMI) to date.

#### WHERE WE ARE

Since the RMH portfolio restructure, RMH continues to assess options to monetise or liberate the RMH Property business and return maximum value to RMH shareholders. This strategic intention is reflected in our 24 June 2022 announcement of the agreement RMH and RMH Property concluded with Brightbridge Real Estate Limited (Brightbridge) in relation to the disposal of our equity interest in Atterbury Europe. The disposal was implemented successfully on 7 September 2022.

On 9 September 2022, RMH declared a special dividend of R2 billion which was paid after the end of the reporting period, on 10 October 2022. The payment of the special dividend reduced the net asset value per share from 238.6 cents per share to 98.8 cents per share, a decrease of 59%. Since December 2020, RMH delivered a shareholders' return of 46.5%. This includes the September 2022 special dividend together with the April 2021 special dividend of R1.1 billion paid on 10 May 2021. RMH has so far managed to realise 63% of the net asset value as at 30 June 2020 following the unbundling of FirstRand, thereby breaching the halfway mark in its monetisation strategy.

### FINANCIAL HIGHLIGHTS

#### Market capitalisation

R2.8 billion  
30 September 2022 Up 33% to R2.8 billion  
30 September 2021: R2.1 billion

#### Net asset value per share\*

238.6 cents  
30 September 2022 down 10% to 238.6 cents  
30 September 2021: 263.9 cents

\* Net asset value includes the special dividend of 141.7 cents that was paid on 10 October 2022.

### ASSET VALUE MONETISED

#### Net asset value monetised during the period

R2 000 million  
Special dividend  
30 September 2022 up 77% to R2 000 million  
30 September 2021: R 1 129 million

#### % of net asset value monetised since 30 June 2020

63%  
30 September 2022: 63%  
30 September 2021: 23%

### FINANCIAL PERFORMANCE

The post-COVID-19 macroeconomic recovery has been slow. Further uncertainty has been introduced by Russia's invasion of Ukraine.

RMH's net asset value decreased by 14% from R3 910 million at 31 March 2022 to R3 368 million at 30 September 2022. It delivered a loss after tax of R514 million for the six months ended 30 September 2022, compared to a profit of R177 million for the comparative prior period. This was mainly due to the R585 million accounting loss on the sale of Atterbury Europe. The disposal of Atterbury Europe at 82% of IFRS carrying value on disposal date delivered a normal rate of return of 23% over the life of the investment.

The cash resources earmarked for ongoing RMH operating expenses and liabilities at 30 September 2022 amounted to R283 million (2021: R446 million). This decrease was as a result of a decision made by the board to increase the special dividend paid to shareholders by 17.7 cents per share resulting in a total dividend per share of 141.7 cents per share. The disposal value of Atterbury Europe would have equated to a special dividend of 124 cents per share only. This is in line with the stated strategy of monetisation and returning maximum value to shareholders while retaining prudent reserves.

#### UPDATE ON ATTERBURY GUARANTEE

RMB, a division of FirstRand Bank Limited (the lender) granted a loan to Atterbury in July 2016 in terms of a loan facility agreement. The loan under the loan facility agreement is maturing on 8 July 2023. On that date, Atterbury is obliged to repay to the lender in full, the outstanding amount of the loan under the loan facility agreement in the amount of R489 million.

RMH and its wholly owned subsidiary, RMH Asset Holding Company Proprietary Limited (RMHAH) have provided separate guarantees to the lender as security for Atterbury's obligations under the loan facility agreement. RMHAH has an investment of R489 million in a money market unit trust which is ceded to the lender as security for the RMHAH guarantee.

In terms of the loan facility agreement, if Atterbury is reasonably of the opinion that it does not have sufficient cash resources to repay the loan on 8 July 2023, it may issue a conversion notice to the lender and may potentially be permitted to repay all or part of the amount due to be repaid to the lender not in cash but through the issue of ordinary shares (conversion shares) and thereby convert the loan to equity. If Atterbury were to issue a conversion notice (whether validly as contemplated under the loan facility agreement or invalidly), RMH and RMHAH are of the view that RMHAH would be in a position to acquire the rights of the lender under the loan facility agreement including the right of the lender to contest the validity of any conversion notice and/or not to accept any conversion notice. Hence RMHAH would not be obliged to accept conversion shares in payment of the loan but may be able to insist on repayment of the loan by Atterbury in cash. Atterbury has a different view. The RMH and Atterbury boards are exploring whether this dispute can be resolved. If these issues are not resolved amicably, they will have to be resolved in a formal dispute resolution process.

#### UPDATE ON DISSENTING SHAREHOLDERS

As RMH shareholders are aware, RMH shareholders owning 20 770 019 RMH shares demanded an offer for cash at fair value in terms of section 164(5) to (8) of the Companies Act. Subsequently, shareholders owning 2 000 000 shares withdrew their demand. The remainder have applied to court in terms of section 164 (14). RMH gave notice of its intention to defend, and its plea was handed in on 6 December 2022. RMH shareholders will be updated as the matter progresses.

#### BOARD CHANGES

Following the restructure of the RMI portfolio, Herman Bosman stepped down as CEO and financial director of both RMI and RMH effective 30 November 2022. Herman will remain on the RMH board as a non-executive director.

Herman's continuous forward-thinking and innovative solutions to complex corporate challenges, in a manner that empowered the management teams of the underlying portfolio companies, resulted in the creation of significant shareholder value. The board thanks Herman for a job well done over the past eight years and wishes him every success in his future endeavours.

Brian Roberts, the current CEO of RMH Property, succeeded Herman as CEO with effect from 1 December 2022. Ellen Marais, the previous company secretary and financial manager, relinquished those positions and assumed the responsibility with effect from 1 December 2022 as executive financial director. The board congratulates Brian and Ellen on their executive appointments and wishes them well in their new roles. IKB Company Secretaries (Pty) Limited has been appointed as the company secretary of RMH with effect from 1 December 2022.

#### TRADING STATEMENT

Pursuant to paragraph 3.4(b) of the JSE Listings Requirements, RMH is required to advise shareholders as soon as it is reasonably certain that its benchmark in terms of section 3.4 (b)(vi), net asset value, will differ by more than 20% from the previous corresponding period.

Accordingly, following the special dividend payment of 141.7 cents per share (59% of net asset value as at 30 September 2022) by RMH on 10 October 2022, RMH provides the following guidance to its shareholders:

	Expected at 31 March 2023	As at 31 March 2022	Range % change
Net asset value	77.5 - 116.3	277.0	(58) - (72)

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

## OUTLOOK

The period under review has been a challenging one. The South African economy was impacted by the following:

- Continued uncertainty as a result of COVID-19 with the State of Emergency only being lifted in April 2022;
- Changing weather patterns led to unusual rainfall and, in April 2022, floods hit the province of KwaZulu-Natal, resulting in an estimated 400 lives lost and R10 billion in damage to infrastructure;
- The struggling electricity grid led to record load shedding in 2022;
- High unemployment;
- Rising interest rates; and
- Rising fuel, wheat, corn and sunflower oil prices as a result of the invasion of Ukraine by Russia.

All these factors had a negative impact on economic recovery in South Africa and did not leave the property sector unscathed.

The board remains committed to the monetisation strategy of the balance of the RMH Property, taking into account prevailing trading conditions, which may have an impact on the timing of the execution of the strategy.

For and on behalf of the board

Sonja De Bruyn  
Chairman

Herman Bosman  
Outgoing CEO

Brian Roberts  
Incoming CEO

## FINANCIAL INFORMATION

R million	For the six months ended			Year ended 31 March 2022
	30 September 2022	30 September 2021	% change	
Revenue	125	176		629
(Loss)/earnings attributable to equity holders	(514)	177	>(100)	611
Headline earnings attributable to equity holders	53	187	(72)	56
Net asset value	3 368	3 725	(10)	3 910
Net asset value excluding cash earmarked for special dividend	1 395	3 725	(63)	3 910
Cents				
(Loss)/earnings per share	(37.0)	12.7	>(100)	43.9
Diluted (loss)/earnings per share	(37.0)	12.7	>(100)	43.9
Headline earnings per share	3.8	13.4	(72)	4.0
Diluted headline earnings per share	3.8	13.4	(72)	4.0
Net asset value per share	238.6	263.9	(10)	277.0

## ADMINISTRATION

### Directors

(Ms) SEN De Bruyn (chairman), BM Roberts (CEO), HL Bosman, P Lagerström, UH Lucht, (Ms) MM Mahlare, (Ms) EJ Marais (FD), MM Morobe and JA Teeger

### Secretary and registered office

IKB Company Secretaries (Proprietary) Limited

Physical address: Zero 01 Solution House,

42 Gazelle Avenue,

Corporate Park South,

Midrand, 1685

Postal address: Private Bag X1000,

Saxonwold, 2132

Telephone: 010 753 2420

Website: [www.rmh.co.za](http://www.rmh.co.za)

### Sponsor

(in terms of the JSE Limited Listings Requirements)

Rand Merchant Bank

(a division of FirstRand Bank Limited)

Physical address: 1 Merchant Place,

Corner of Fredman Drive and Rivonia Road,

Sandton, 2196

### Transfer secretaries

Computershare Investor Services Proprietary Limited

Physical address: Rosebank Towers,

15 Biermann Avenue,

Rosebank, 2196

Postal address: Private Bag X9000, Saxonwold, 2132

Telephone: +27 11 370 5000

Telefax: +27 11 688 5221

### Short-form announcement

This short-form announcement is the responsibility of the directors and is only a summary of the information in the full announcement and does not contain full or complete details. The full announcement was released on the JSE's Stock Exchange News Service (SENS) on 13 December 2022 and can be found on the company's website at [https://rmh.co.za/downloads/2023/RMH\\_Interim\\_results\\_announcement\\_2023.pdf](https://rmh.co.za/downloads/2023/RMH_Interim_results_announcement_2023.pdf) or at <https://senspdf.jse.co.za/documents/2022/jse/isse/RMH/Interim23.pdf>

The full announcement is available for inspection at the company's registered office and copies may also be requested from the company. [secretary@rmbh.co.za](mailto:secretary@rmbh.co.za) and at the offices of the sponsor, at no charge, during office hours. Any investment decision should be based on the full announcement published on SENS and on the company's website.

Sandton

13 December 2022