



RESULTS PRESENTATION
FOR THE YEAR ENDED 30 JUNE

29 SEPTEMBER 2020

2020

Remgro
Limited

AGENDA

01 SALIENT FEATURES Jannie Durand

02 SETTING THE SCENE Jannie Durand

03 EXECUTING ON STRATEGY Jannie Durand

04 INVESTMENT ACTIVITIES Jannie Durand

05 RESULTS FOR THE YEAR Neville Williams

06 CLOSING COMMENTS AND Q&A Jannie Durand

PRESENTERS



Jannie Durand
(CEO)

Neville Williams
(CFO)



01 SALIENT
FEATURES

SALIENT FEATURES

	Year ended 30 Jun 20	Year ended 30 Jun 19	% change
Headline earnings measures (Rand)			
Total headline earnings per share	5.61	14.49	▼ 61.3%
Headline earnings per share from continuing operations	3.08	9.81	▼ 68.7%
Ordinary dividend per share (Rand)	2.65	5.64	▼ 53.0%
As at			
	30 Jun 20	As at 30 Jun 19	
Intrinsic net asset value per share (Rand)	154.47	233.03	▼ 33.7%
Closing share price (Rand)	99.90	187.90	▼ 46.8%
<i>Discount to intrinsic value</i>	35.3%	19.4%	(1 590 bps)



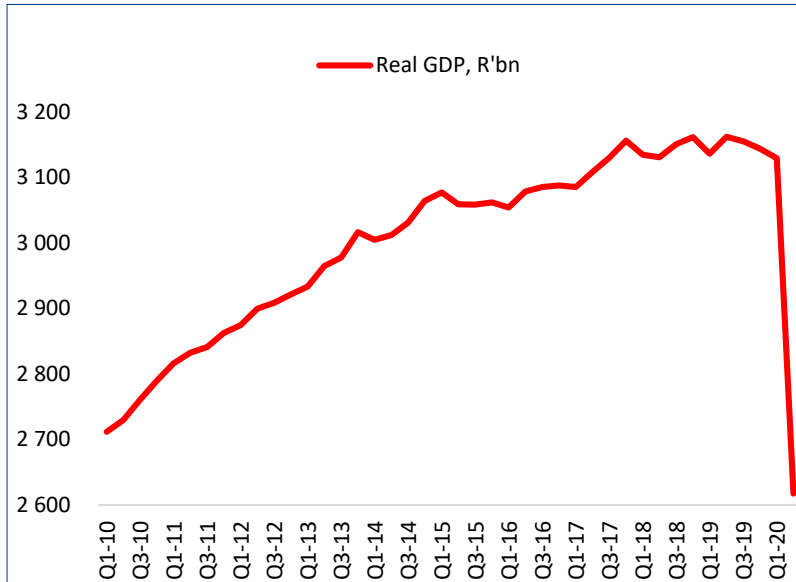
02 **SETTING THE
SCENE**

COVID-19

IMPACT	OUR RESPONSE	RESILIENCE
<p>Lockdown impact</p> <ul style="list-style-type: none"> • 1 month near standstill of economy <p>Financial Services</p> <ul style="list-style-type: none"> • Provisions for future claims and lapses <p>Healthcare</p> <ul style="list-style-type: none"> • Suspension of elective procedures <p>Consumer Products</p> <ul style="list-style-type: none"> • Ban on alcohol sales • Closure of Quick Service Restaurants <p>Industrial</p> <ul style="list-style-type: none"> • Significant drop in crude prices and in fuel volume sales at Total <p>Remgro</p> <ul style="list-style-type: none"> • Reduced dividend receipts from underlying investments 	<p>Sukuma Fund</p> <ul style="list-style-type: none"> • R500 million donation to aid small businesses • Voluntary donations by Management Board of 30% of their salaries for April, May and June <p>Salary increase freeze</p> <ul style="list-style-type: none"> • No salary increases for management level employees, including underlying investee companies <p>Remgro focus</p> <ul style="list-style-type: none"> • Health and well-being of our people • Ensuring our investments have robust financial positions • Continued support to portfolio CSI, especially food relief during Covid-19 	<p>Balance sheet strength</p> <ul style="list-style-type: none"> • Conservative approach to debt • Strong focus on liquidity <p>Value driven</p> <ul style="list-style-type: none"> • Continued commitment to our core values – since 1948 • Enables us to adapt to an ever-changing environment

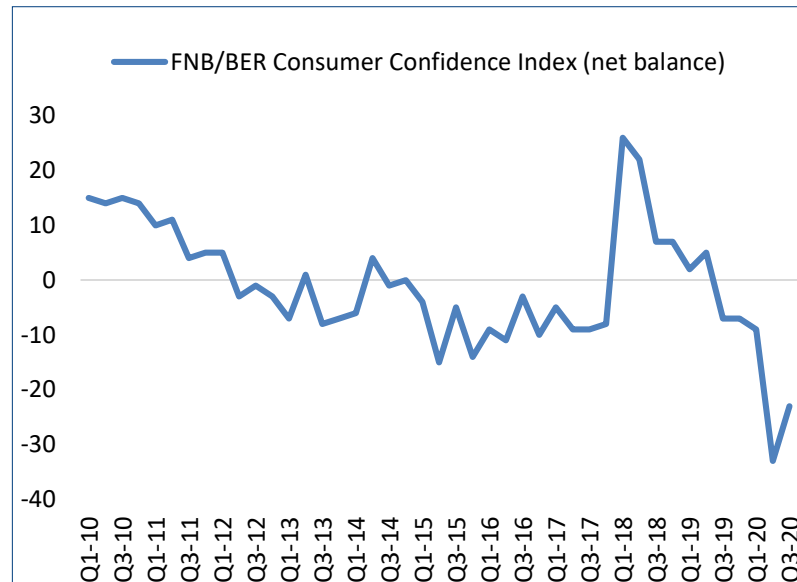
FRAIL OPERATING ENVIRONMENT

GDP DECLINE



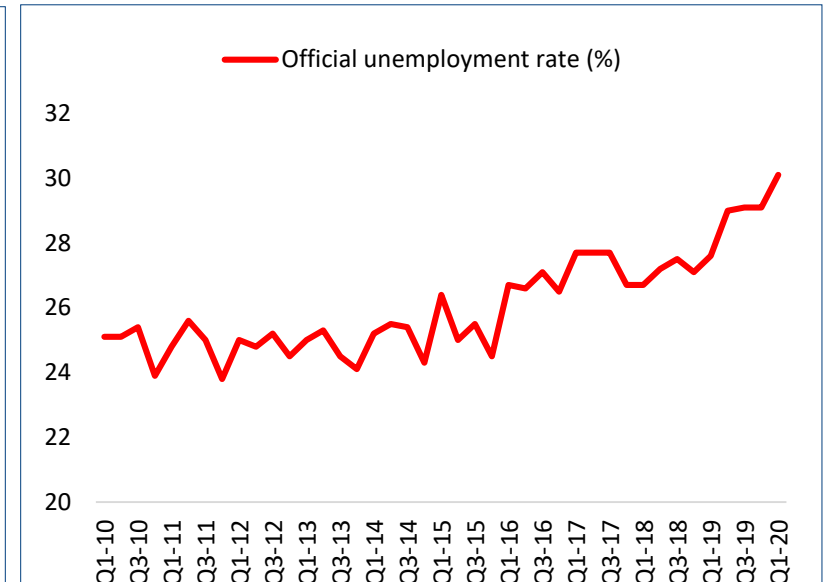
Source: Stats SA, RMB Morgan Stanley Research

CONSUMER CONFIDENCE



Source: Bureau for Economic Research (BER)

UNEMPLOYMENT



Source: Stats SA

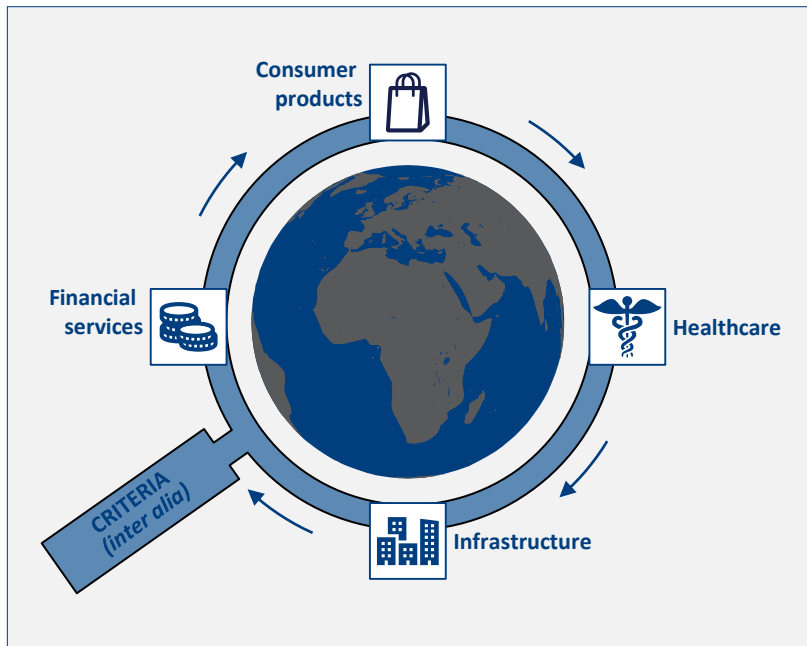


03 EXECUTING ON
STRATEGY

INVESTMENT STRATEGY (CAPITAL ALLOCATORS)

ACQUIRE	HOLD	DISPOSE/UNBUNDLE
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- Significant contribution to Remgro’s earnings
- Value over the long term
- Significant influence and Board representation are integral
- Unlisted preference



- No value to be added
- Maturity profile of business
- Risk profile has changed
- Strategic reasons



Prevailing culture and ethics of the Board and management team



Expected return on investment > Remgro’s internal hurdle rate



Environmental footprint of the enterprise



Viability of products and services and their life cycles



Social responsibility awareness of the enterprise



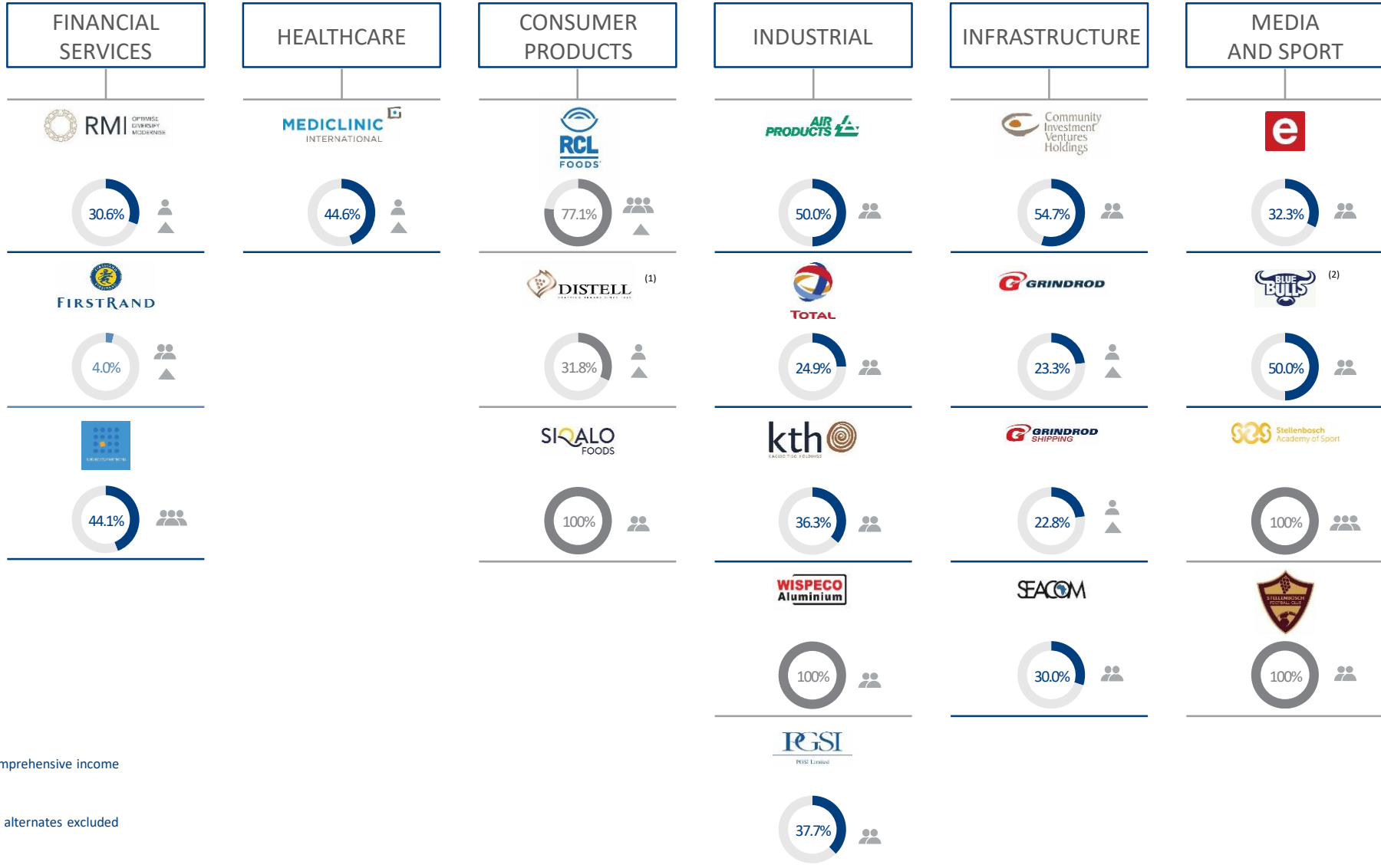
Barriers to entry

GROUP PROFILE

GROUP STRUCTURE

REM GRO LIMITED PRINCIPAL INVESTMENTS – EQUITY INTEREST HELD

Our interests consist mainly of investments in the following industries:



- Equity accounted investment
- Subsidiary
- Investment at fair value through other comprehensive income
- Listed entity
- Number of Remgro nominated director/s; alternates excluded

(1) Voting rights in Distell equal 56.4%.
 (2) Voting rights in Blue Bulls equal 36.7%.

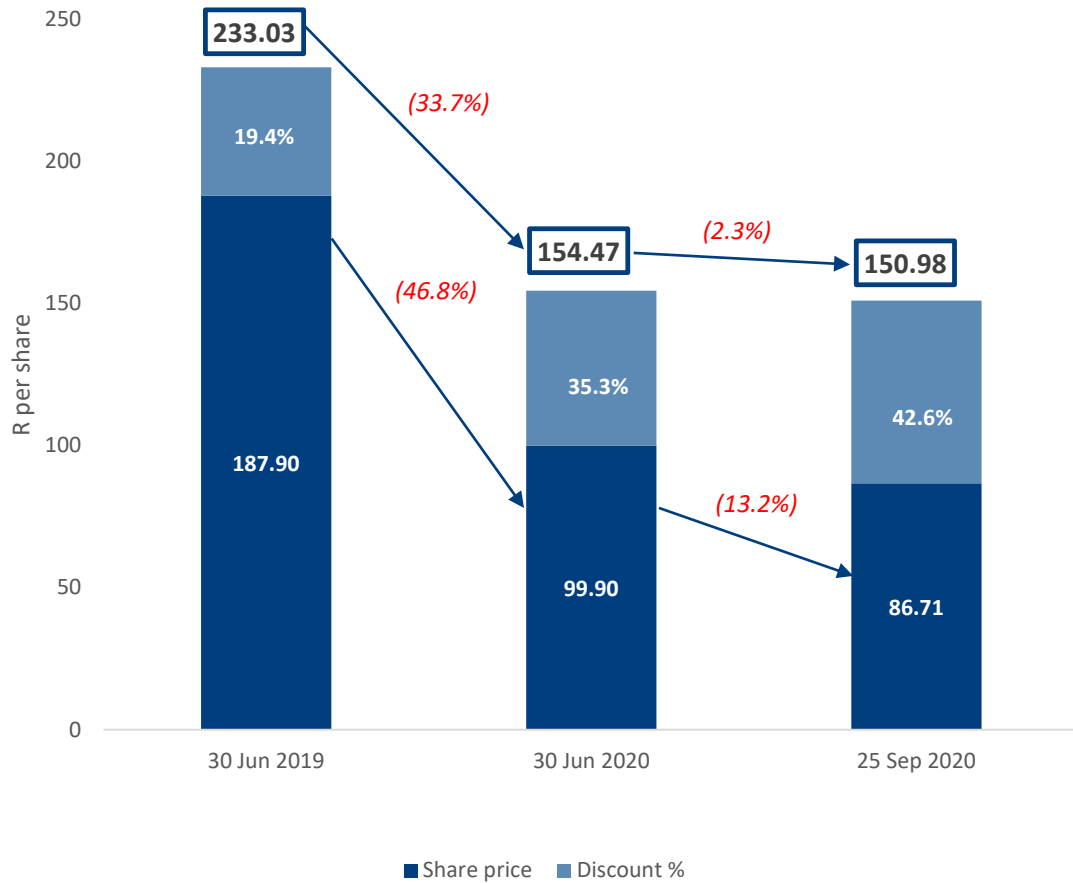
REM GRO IS A DIVERSIFIED INVESTMENT HOLDING COMPANY WITH THE VISION TO BE **THE TRUSTED INVESTMENT COMPANY OF CHOICE** THAT CONSISTENTLY CREATES SUSTAINABLE STAKEHOLDER VALUE.

SUMMARY OF INTRINSIC NET ASSET VALUE – MATERIAL INVESTMENTS

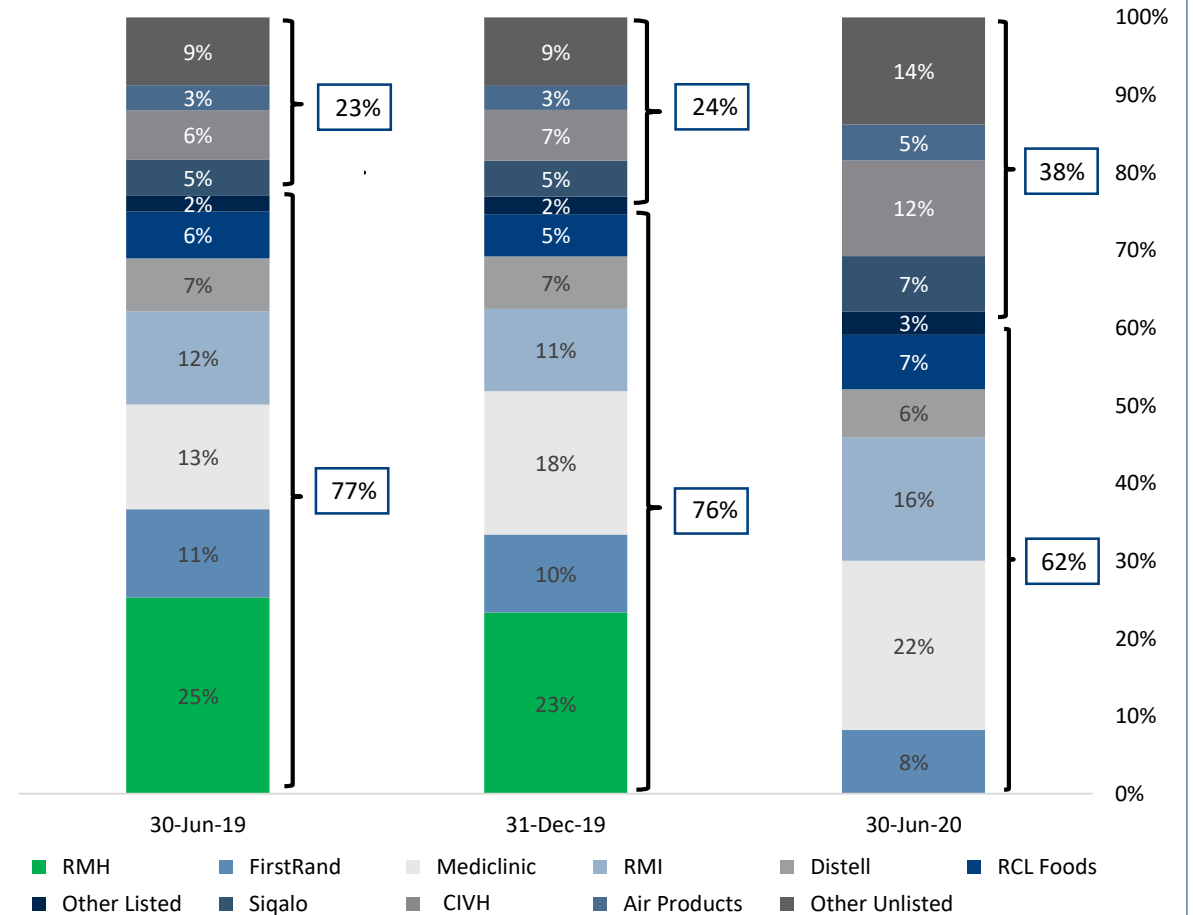
R million	As at 30 Jun 20	As at 30 Jun 19	% change	% of total
Mediclinic	18 769	17 891	4.9	20.8
RMI	13 708	15 947	(14.0)	15.2
CIVH	10 584	8 403	26.0	11.7
FirstRand	7 068	15 069	(53.1)	7.8
Siqalo Foods	6 145	6 164	(0.3)	6.8
RCL Foods	6 029	7 960	(24.3)	6.7
Distell	5 330	9 060	(41.2)	5.9
RMH	-	33 545	(100.0)	-
Other investments	20 905	21 127	(1.1)	23.1
Net asset value before net cash	88 538	135 166	(34.5)	
Cash at the centre	17 073	15 727	8.6	2.0
Debt at the centre	(15 288)	(13 919)	(9.8)	
Intrinsic NAV before CGT	90 323	136 974	(34.1)	100.0
Potential CGT liability	(3 050)	(5 327)	42.7	
Intrinsic NAV after tax	87 273	131 647	(33.7)	
Intrinsic NAV per share (Rand)	154.47	233.03	(33.7)	
Intrinsic NAV per share excl. RMH (Rand)	154.47	173.65	(11.0)	

INTRINSIC NET ASSET EVOLUTION

PER SHARE



LISTED/UNLISTED*



*Cash, debt and other unlisted net corporate assets excluded; percentages rounded

STRATEGIC PRIORITIES

CAPITAL ALLOCATION

- Remgro is an allocator of capital, both financial and human

Financial

- > 150 opportunities evaluated during the year
- Support to investee companies during Covid-19, through backstop support and additional loans and advances

Human

- CIVH – CEO, CTO appointments
- RCL – COO appointment
- Mediclinic – Chairman appointment
- Remgro – New Board members

BUSINESS CONTINUITY

- Protect financial health of investees amidst the magnitude of the economic consequences of Covid-19 pandemic
- Energy initiatives to ensure stable and sufficient electricity supply
- Continued scenario analysis
- Focus on cost base

REMUNERATION

- A key consideration is that managers' incentivisation must be aligned with shareholder value creation.
- Remuneration principles based on ROIC, which have similarities to EVA have been implemented, or are in the process of being implemented at various investee companies



04 INVESTMENT
ACTIVITIES

INVESTMENT ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2020

FIRSTRAND AND RMH

CIVH

MILESTONE CHINA FUNDS

OTHER

19 November 2019

- Remgro announces its intention to distribute its exposure to FirstRand/RMH to shareholders

31 March 2020

- Remgro announces full distribution of its 28.2% interest in RMH (RMH Unbundling)

8 June 2020

- Remgro distributes 397 447 747 ordinary RMH shares to shareholders as an interim dividend *in specie* amounting to R23 855 million

June 2020

- Zero cost collar hedging transaction concluded with Nedbank Limited for 60 000 000 FirstRand shares

INVESTMENT ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2020

FIRSTSTRAND AND RMH

CIVH

MILESTONE CHINA FUNDS

OTHER

CIVH


- In the 2019 financial year:
 - Remgro advanced a R100 million loan to CIVH; and
 - earned R58 million underwriting fees on a CIVH rights issue
- On 31 March 2020 Remgro invested a further R167 million in CIVH in exchange for the loan and outstanding underwriting fee

Milestone China Funds

- Invested a further \$2 million in Milestone China Opportunities Fund III (Milestone III) and received distributions of \$46 million
- Cumulative investment increased to \$100 million and cumulative distributions received to \$71 million from Milestone III
- As at 30 June 2020, the fair value of Remgro's investment in Milestone III amounted to \$72 million
- Remgro redeemed JHL bonds for a total consideration of \$12 million (received through Milestone Capital Strategic Holdings disposal)

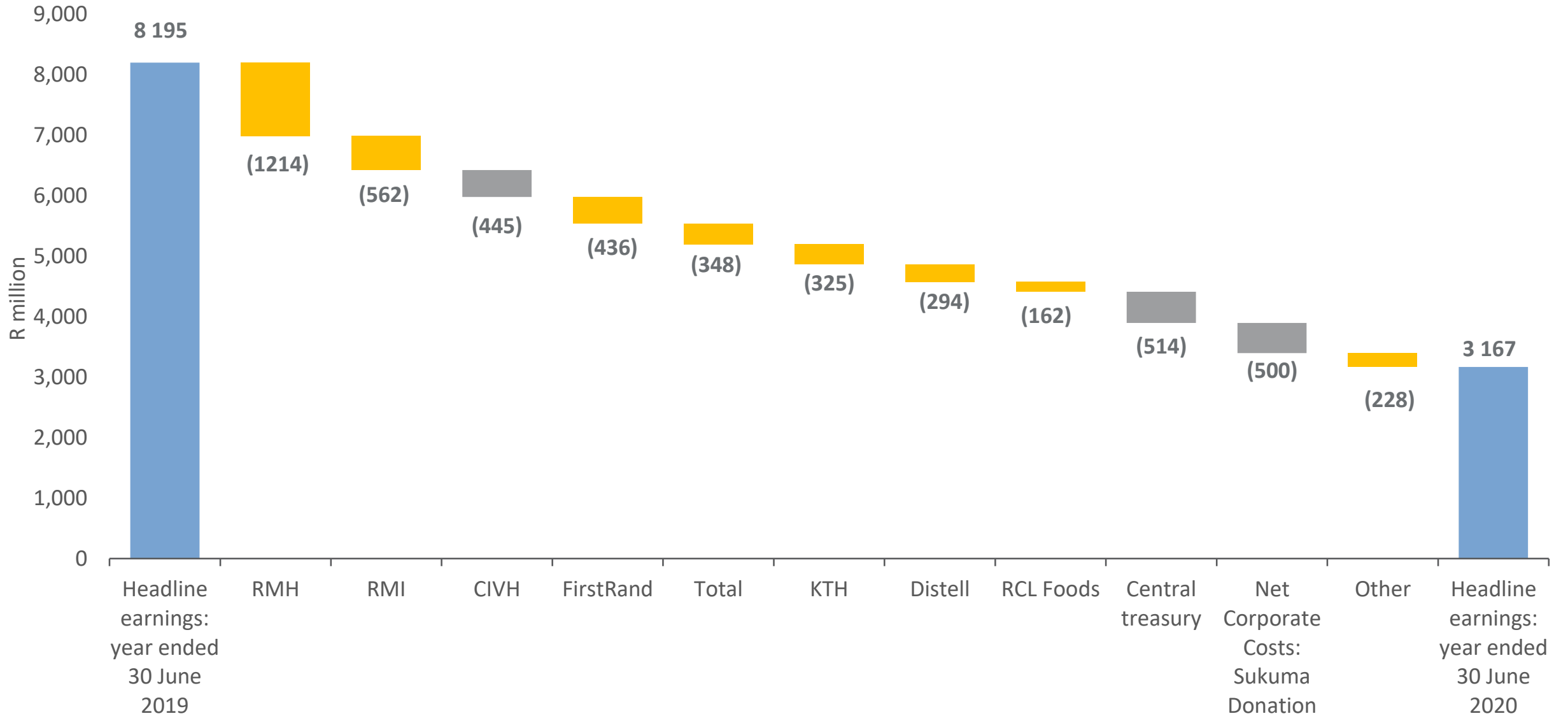
Other

- 10 573 857 additional RCL Foods shares acquired for R100 million
- A further R62 million invested in PRIF
- Invenfin invested a further R103 million in Bos Brands

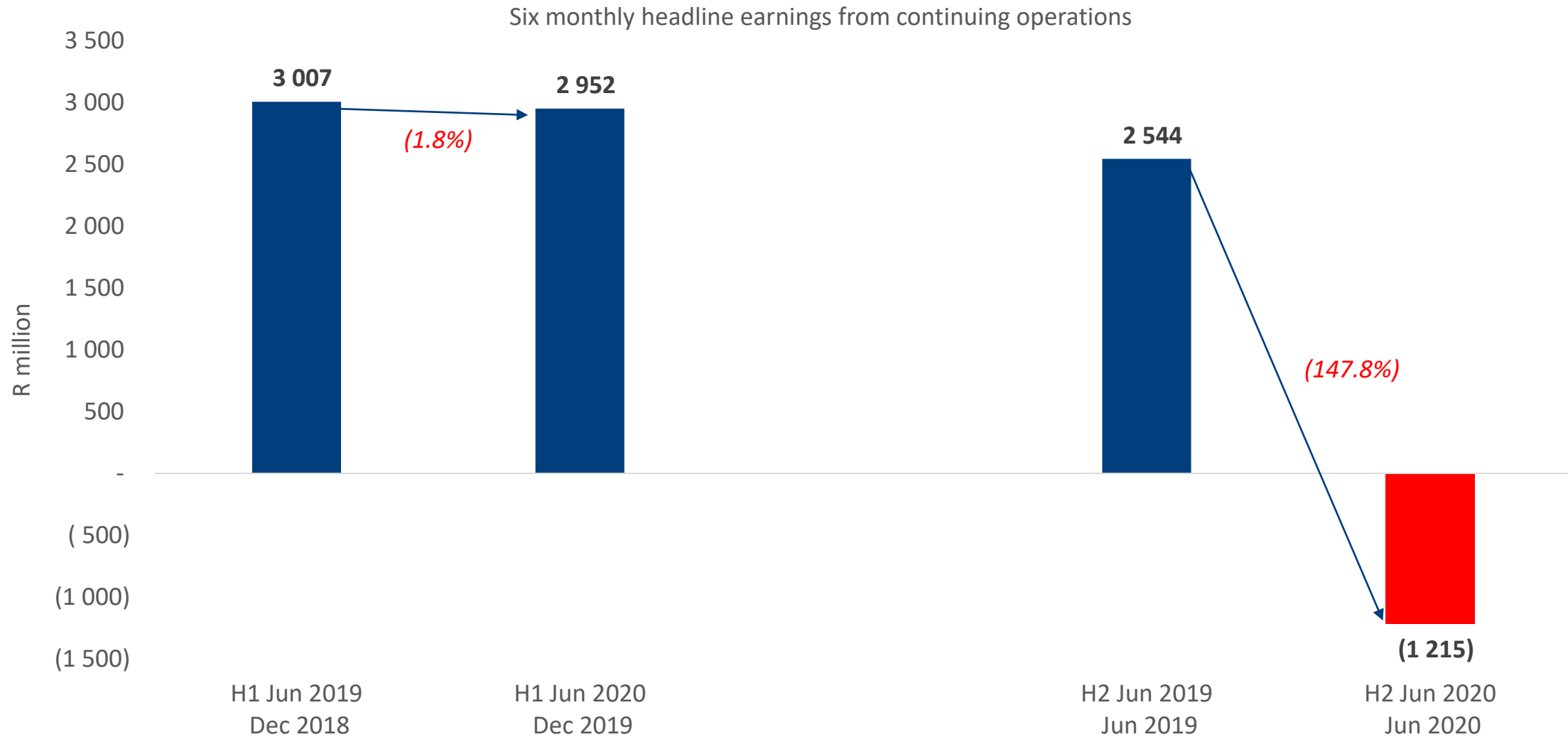


05 RESULTS FOR THE
YEAR

RECONCILIATION OF HEADLINE EARNINGS FOR THE YEAR ENDED 30 JUNE 2020



A YEAR OF TWO HALVES



HEADLINE EARNINGS CONTRIBUTION BY PLATFORM

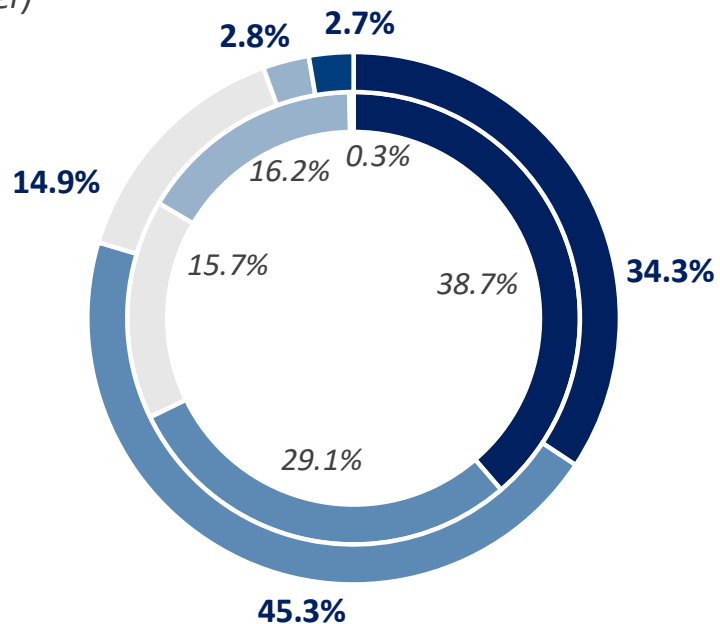
R million	Year ended 30 Jun 20	Year ended 30 Jun 19	% change
Financial services	1 256	2 254	<i>(44.3)</i>
Healthcare	1 655	1 693	<i>(2.2)</i>
Consumer products	545	918	<i>(40.6)</i>
Industrial	103	944	<i>(89.1)</i>
Infrastructure	(716)	(174)	<i>(311.5)</i>
Media and sport	97	20	<i>385.0</i>
Other investments, treasury and corporate costs	(1 203)	(104)	<i>(1 056.7)</i>
Headline earnings from continuing operations	1 737	5 551	<i>(68.7)</i>
Discontinued operations (RMH)	1 430	2 644	<i>(45.9)</i>
Total headline earnings	3 167	8 195	<i>(61.4)</i>

CONTRIBUTION BY PLATFORM - CONTINUING OPERATIONS

Headline earnings*

Jun 2020 (outer)**

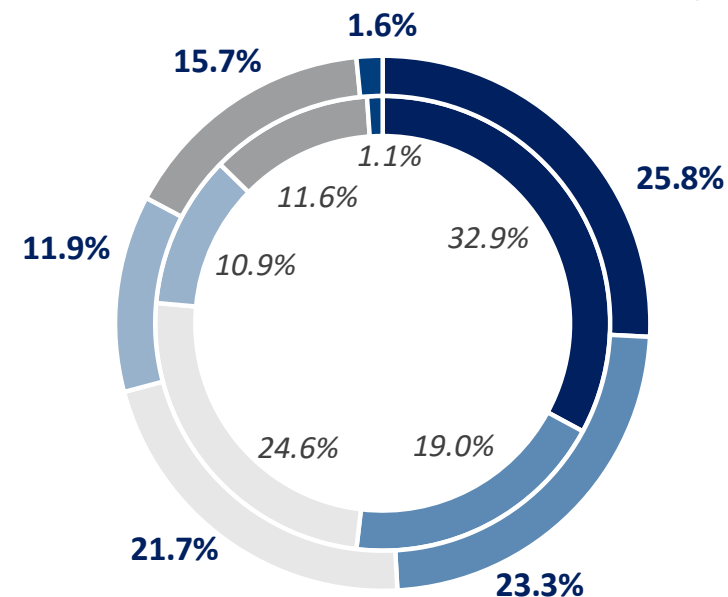
Jun 2019 (inner)**



Intrinsic NAV*

Jun 2020 (outer)

Jun 2019 (inner)



- Financial Services
- Healthcare
- Consumer products
- Industrial
- Infrastructure
- Media and sport

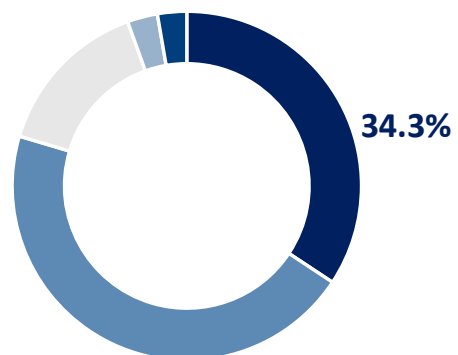
*Excluding RMH, other investments, treasury and corporate costs

**Infrastructure contributed headline losses for the year ended 30 June 2020 and 30 June 2019

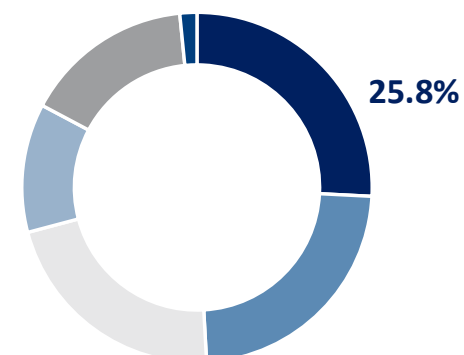
FINANCIAL SERVICES

R million	Headline earnings			Intrinsic value		
	Year ended 30 Jun 20	Year ended 30 Jun 19	% change	As at 30 Jun 20	As at 30 Jun 19	% change
RMI	599	1 161	(48.4)	13 708	15 947	(14.0)
FirstRand**	657	1 093	(39.9)	7 068	15 069	(53.1)
Total	1 256	2 254	(44.3)	20 776	31 016	(33.0)

Contribution to Headline earnings*



Contribution to Intrinsic NAV*



FIRSTRAND



*Excluding RMH, other investments, treasury and corporate costs

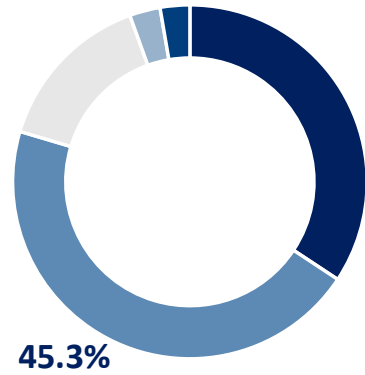
**FirstRand market value is R8 482m (43.7% decrease year on year)

HEALTHCARE

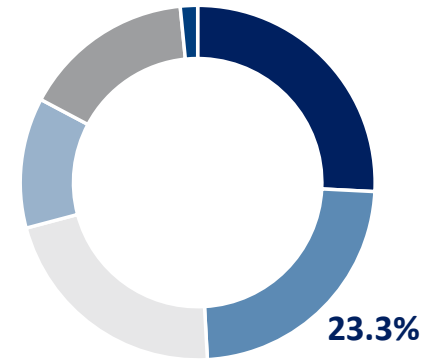
R million	Headline earnings			Intrinsic value		
	Year ended 30 Jun 20	Year ended 30 Jun 19	% change	As at 30 Jun 20	As at 30 Jun 19	% change
Mediclinic	1 655	1 693	(2.2)	18 769	17 891	4.9



Contribution to Headline earnings*



Contribution to Intrinsic NAV*

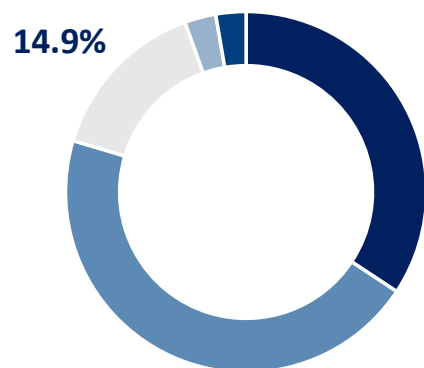


*Excluding RMH, other investments, treasury and corporate costs

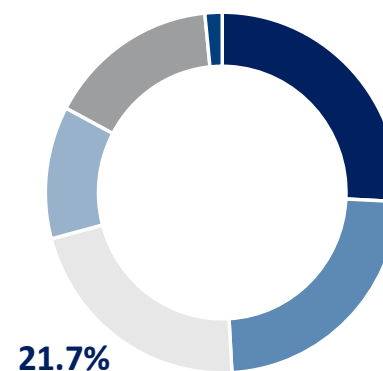
CONSUMER PRODUCTS

R million	Headline earnings			Intrinsic value		
	Year ended 30 Jun 20	Year ended 30 Jun 19	% change	As at 30 Jun 20	As at 30 Jun 19	% change
RCL Foods	92	254	(63.8)	6 029	7 960	(24.3)
Distell	118	412	(71.4)	5 330	9 060	(41.2)
Entity contribution	165	459	(64.1)			
IFRS 3 charge	(47)	(47)	-			
Siqalo Foods	335	252	32.9	6 145	6 164	(0.3)
Entity contribution	414	332	24.7			
IFRS 3 charge	(79)	(80)	1.3			
Total	545	918	(40.6)	17 504	23 184	(24.5)

Contribution to Headline earnings*



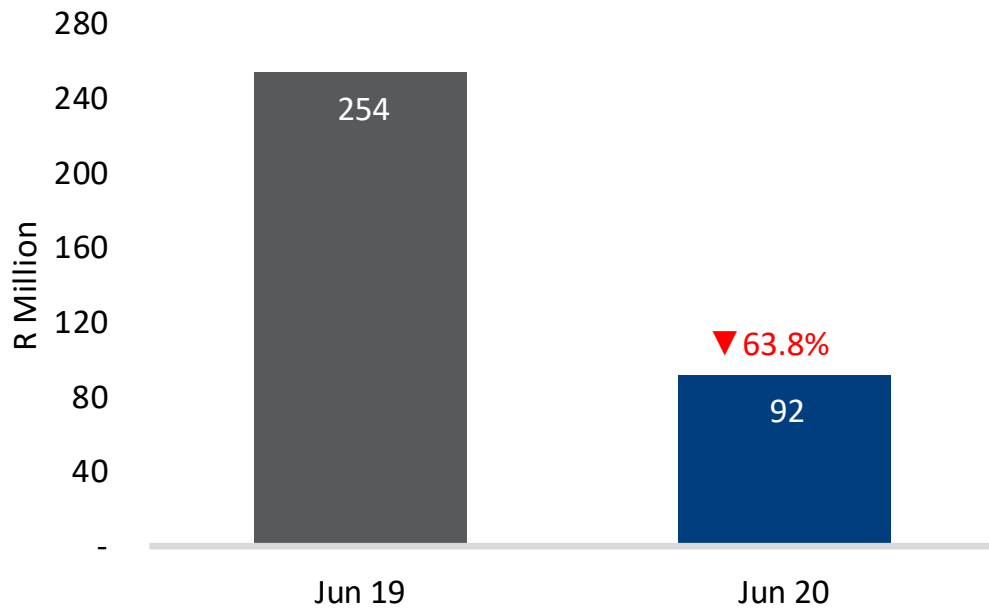
Contribution to Intrinsic NAV*



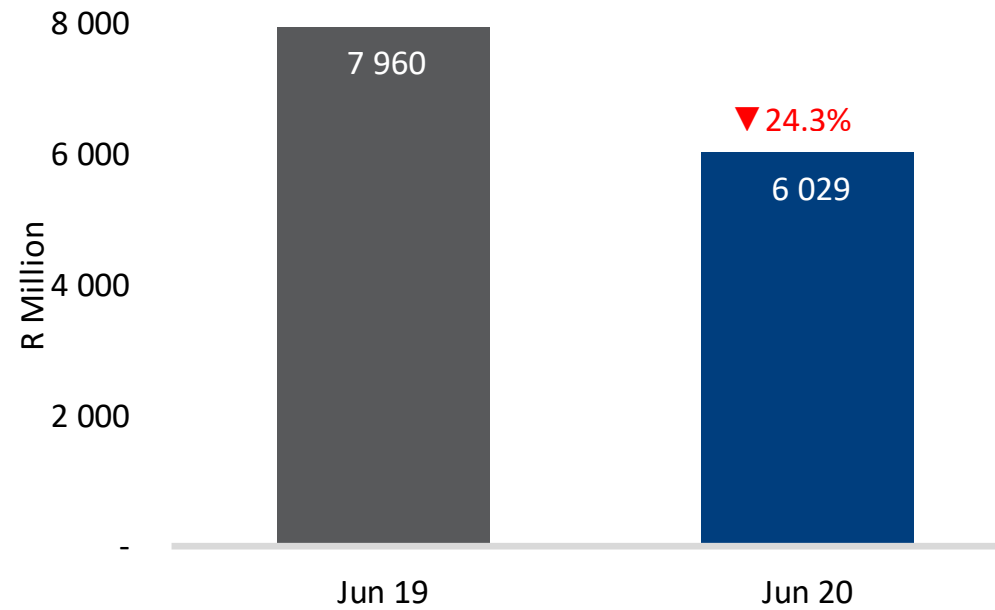
*Excluding RMH, other investments, treasury and corporate costs

CONSUMER PRODUCTS | RCL FOODS

Headline Earnings

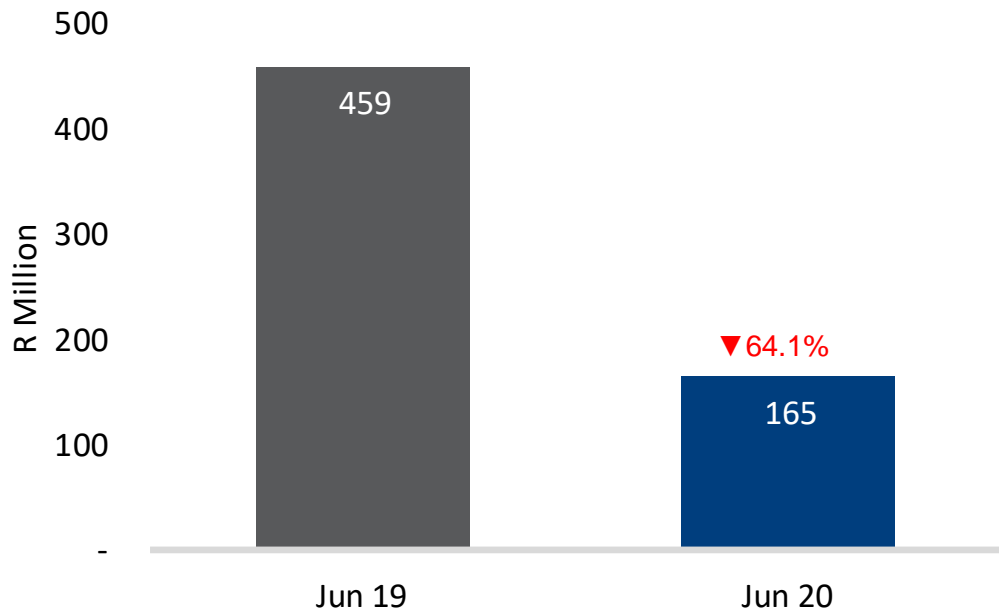


Intrinsic Value

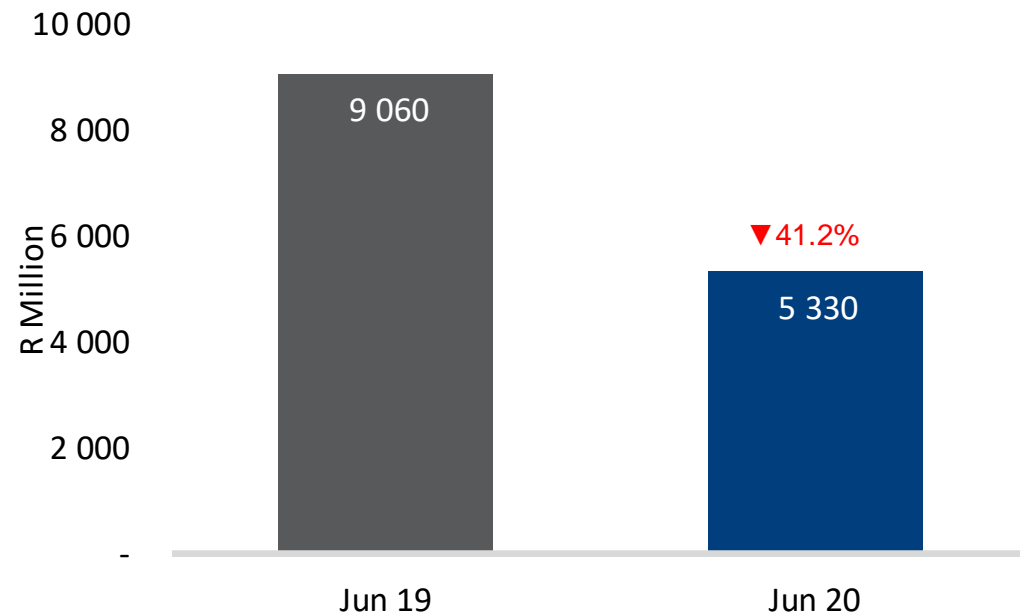


CONSUMER PRODUCTS | DISTELL

Headline Earnings*



Intrinsic Value

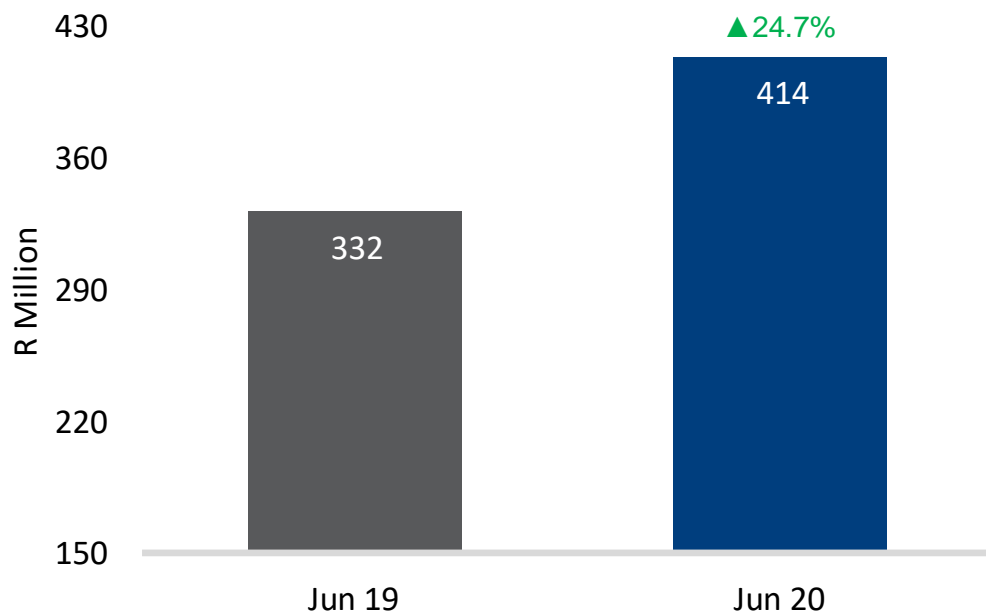


*Headline earnings excludes IFRS 3 charges

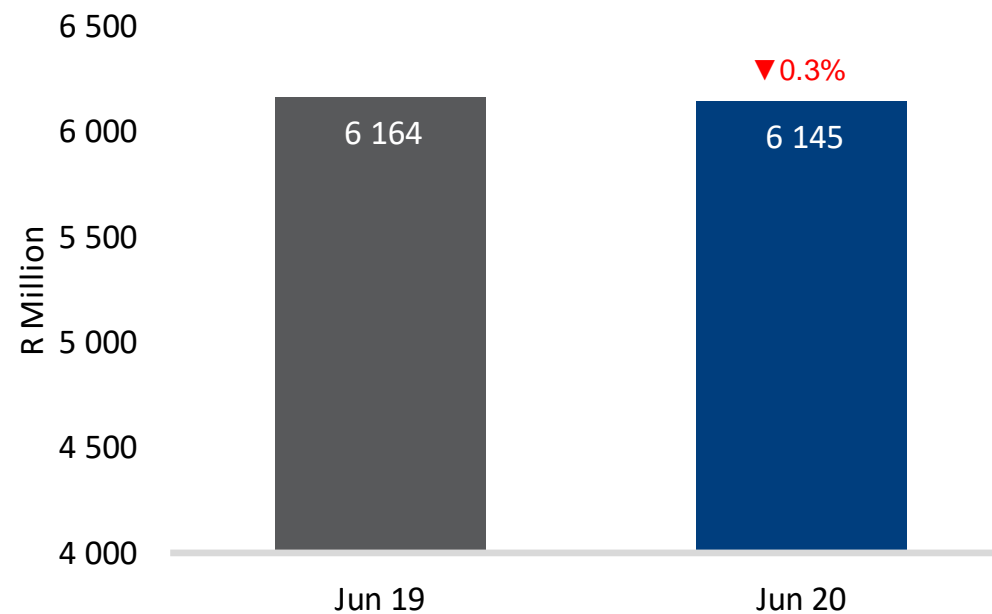
CONSUMER PRODUCTS | SIQALO FOODS

R million	Year ended 30 Jun 20	Year ended 30 Jun 19	% change
Revenue	2 712	2 626	3.3
Operating profit	515	447	15.2

Headline Earnings*



Intrinsic Value



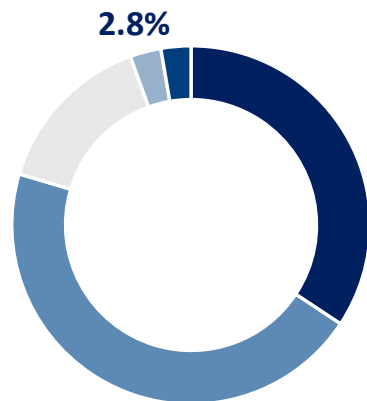
*Headline earnings excludes IFRS 3 charges



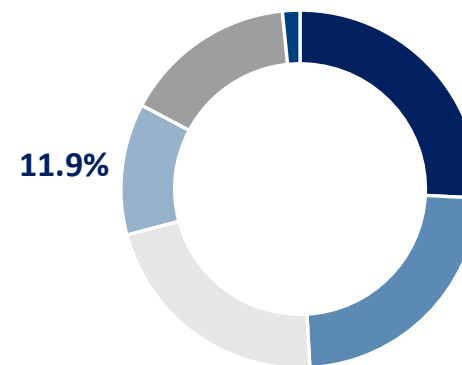
INDUSTRIAL

R million	Headline earnings			Intrinsic value		
	Year ended 30 Jun 20	Year ended 30 Jun 19	% change	As at 30 Jun 20	As at 30 Jun 19	% change
Air Products	333	343	(2.9)	3 979	4 264	(6.7)
Total	(20)	328	(106.1)	2 515	2 722	(7.6)
KTH	(164)	161	(201.9)	1 961	2 127	(7.8)
Wispeco	80	121	(33.9)	810	866	(6.5)
PGSI	(126)	(9)	(1 300.0)	309	302	2.3
Total	103	944	(89.1)	9 574	10 281	(6.9)

Contribution to Headline earnings*



Contribution to Intrinsic NAV*



AIR
PRODUCTS



kth

WISPECO
Aluminium

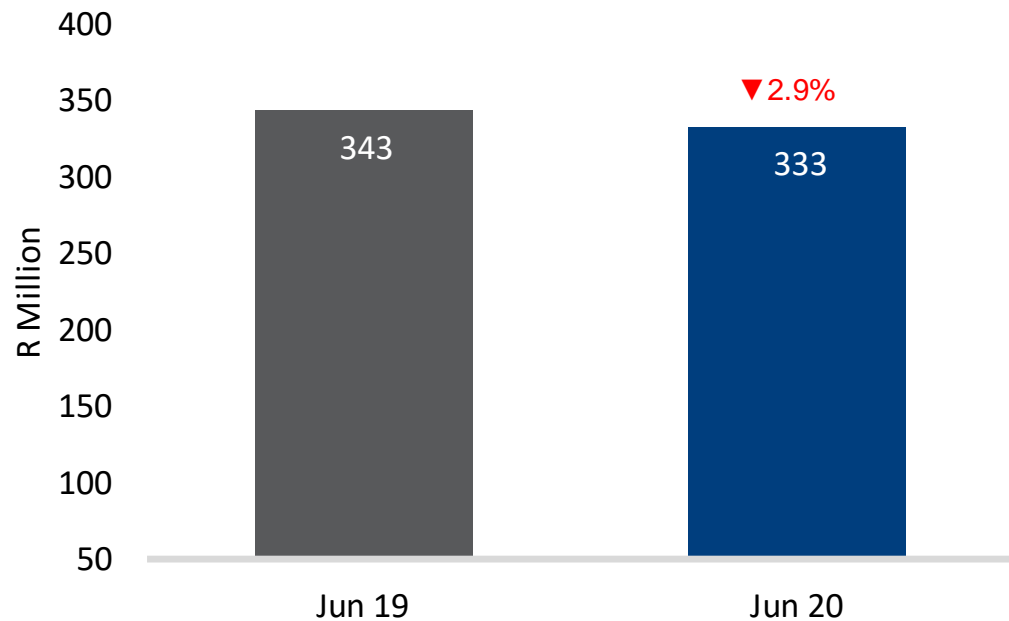
PGSI
PGSI Limited

*Excluding RMH, other investments, treasury and corporate costs

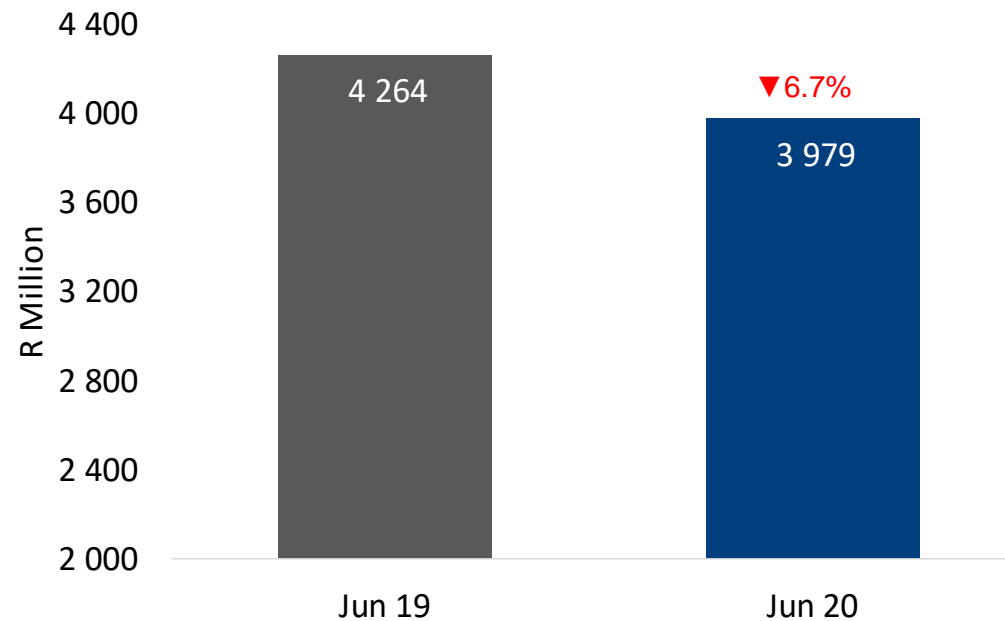
INDUSTRIAL | AIR PRODUCTS

R million	Year ended 31 Mar 20	Year ended 31 Mar 19	% change
Revenue	3 232	3 148	2.7
Operating profit	930	964	(3.6)

Headline Earnings



Intrinsic Value



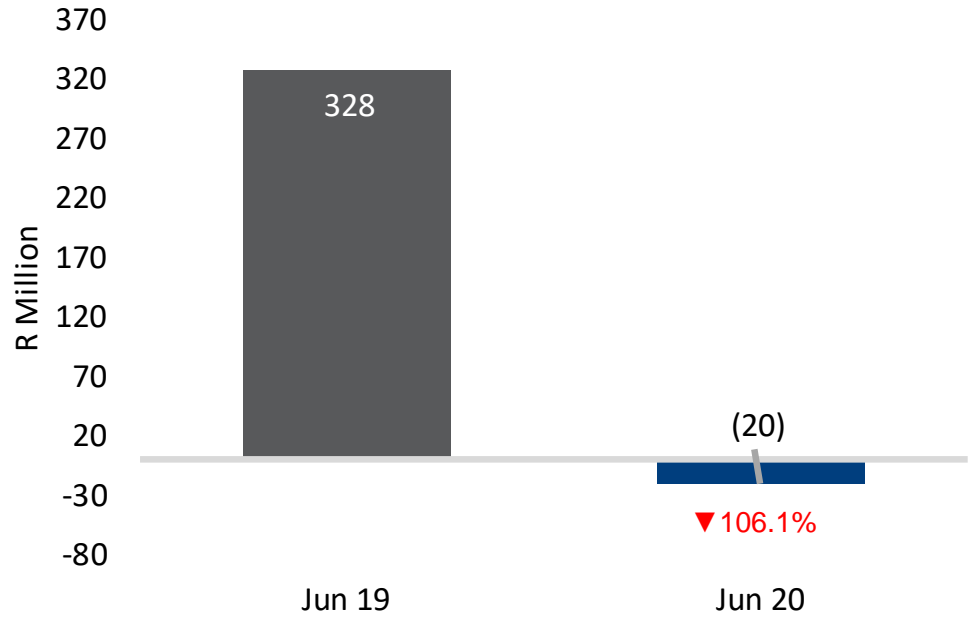

TOTAL

PGSI Limited

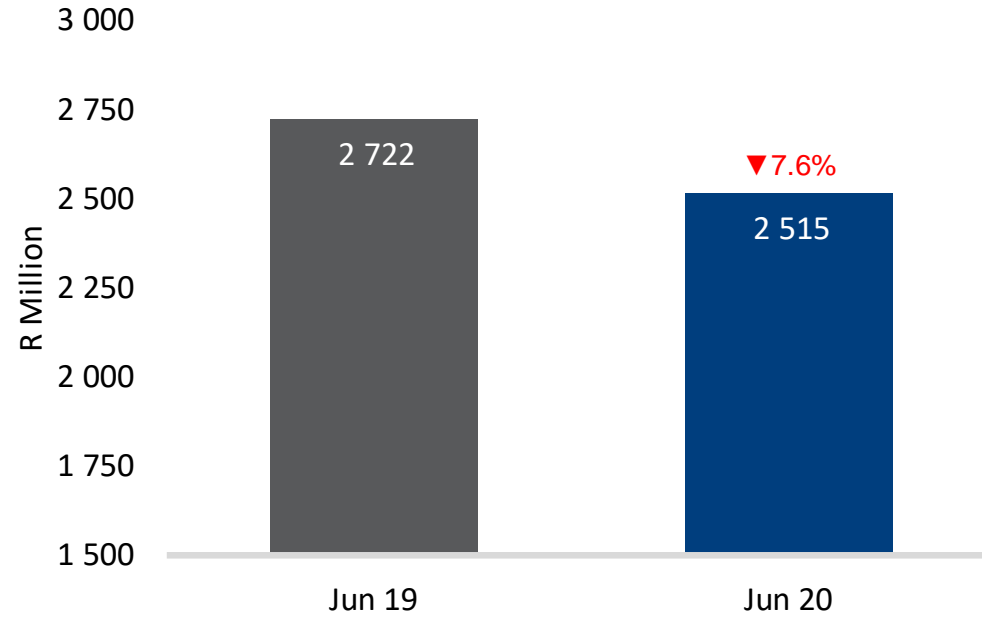
INDUSTRIAL | TOTAL

R million	Year ended 30 Jun 20	Year ended 30 Jun 19	% change
Revenue	64 605	75 432	(14.4)
Operating profit / (loss)	(190)	1 735	(111.0)

Headline Earnings



Intrinsic Value







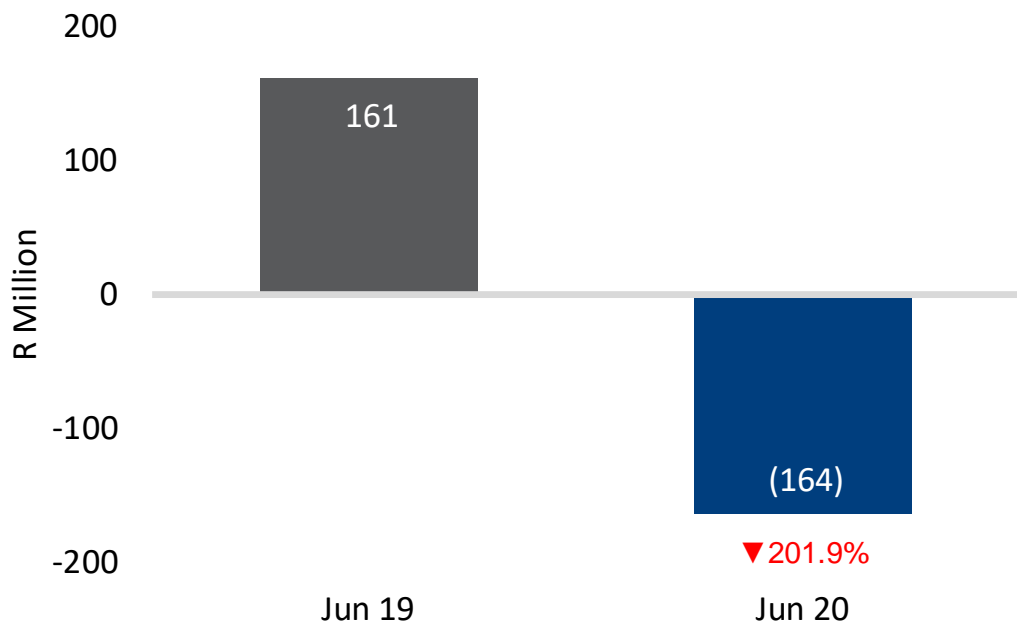




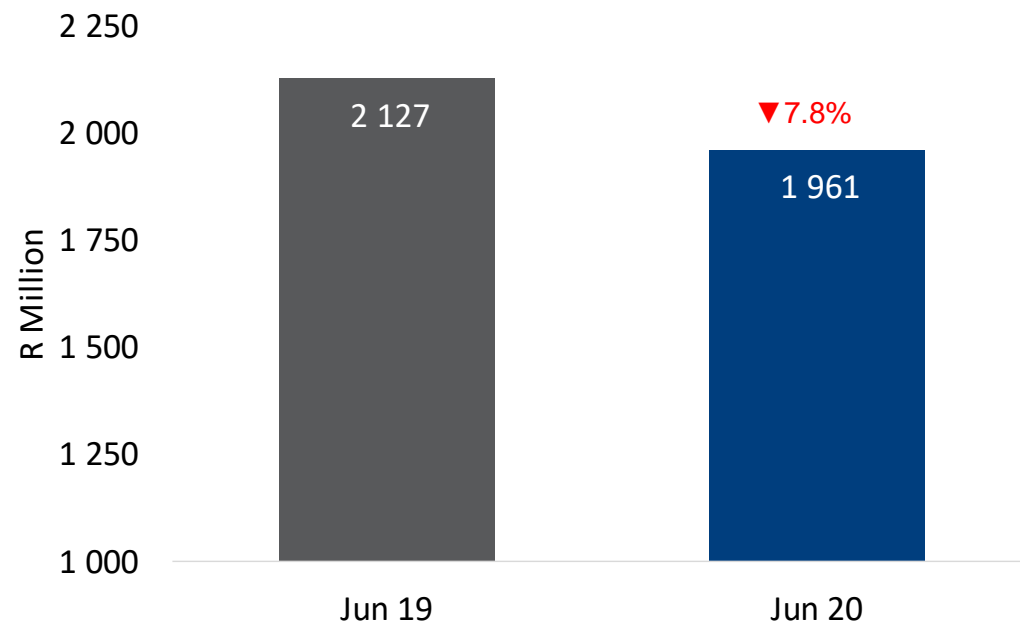


INDUSTRIAL | KTH

Headline Earnings



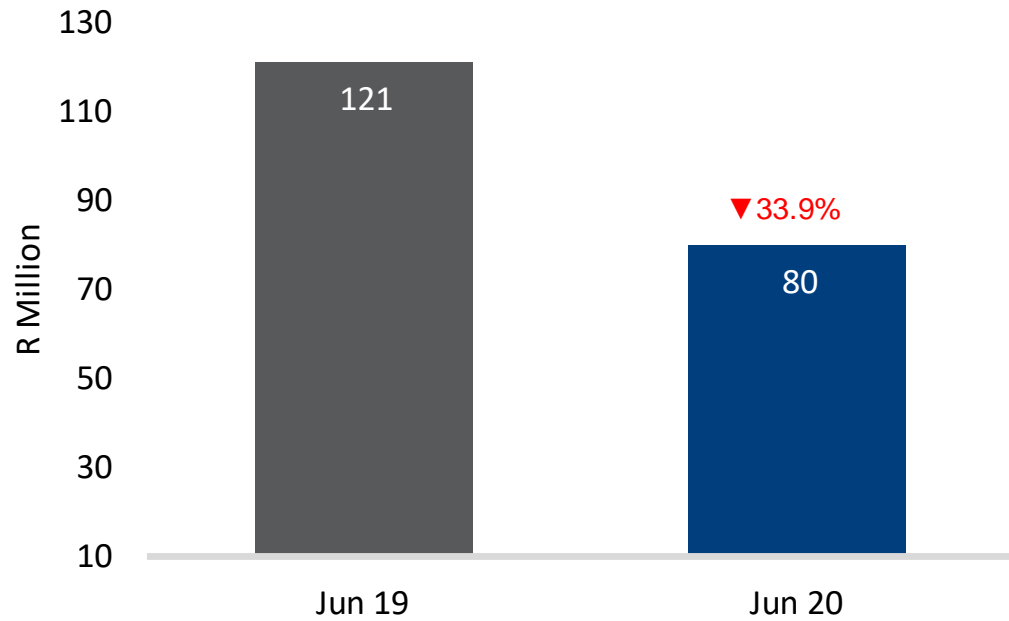
Intrinsic Value



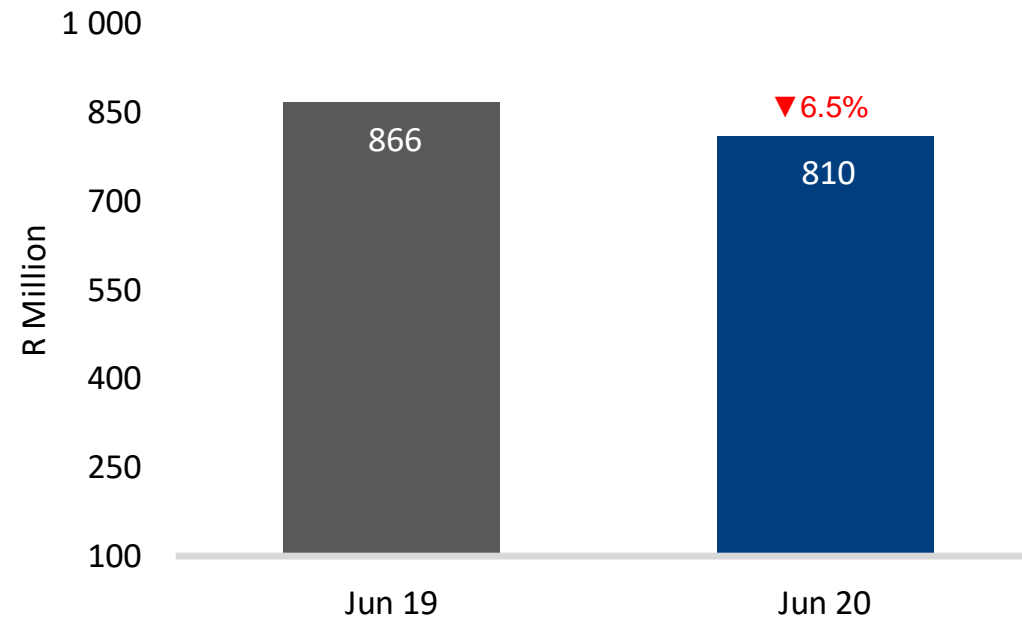
INDUSTRIAL | WISPECO

R million	Year ended 30 Jun 20	Year ended 30 Jun 19	% change
Revenue	1 991	2 376	(16.2)
Operating profit	106	145	(26.9)

Headline Earnings



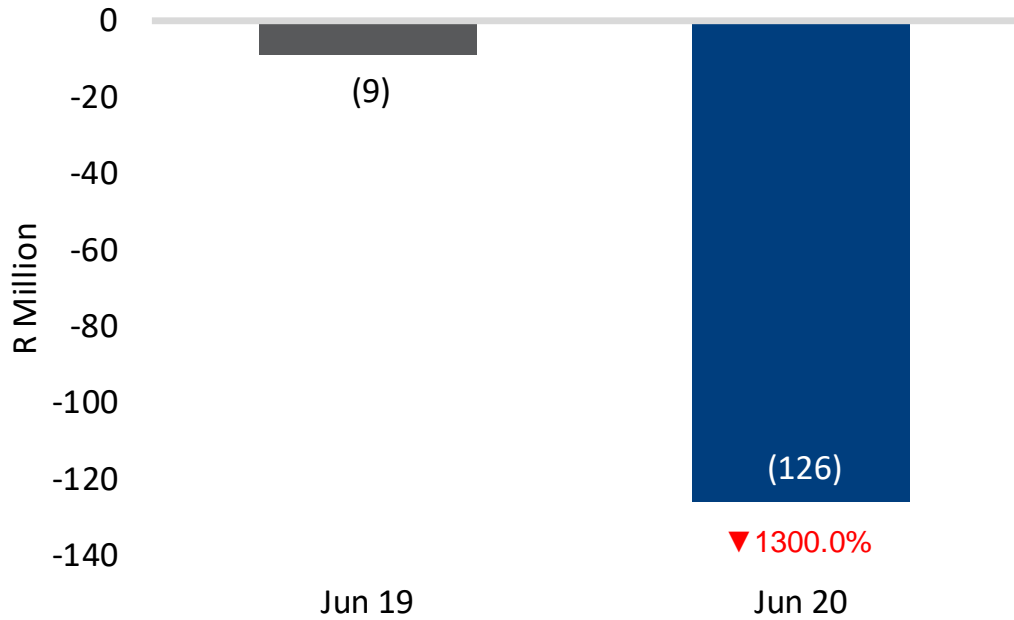
Intrinsic Value



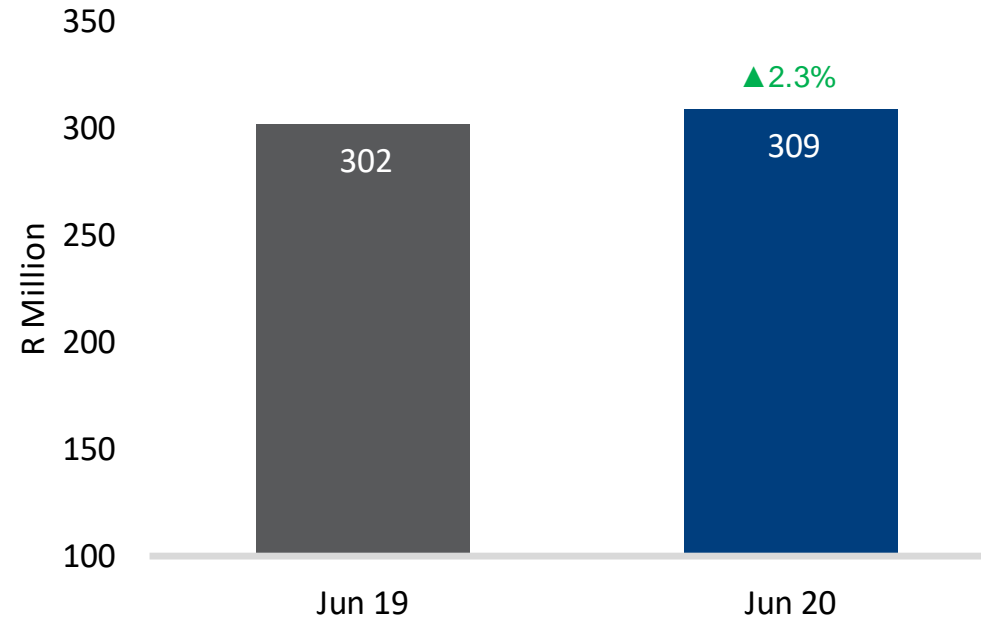
INDUSTRIAL | PGSI

R million	Year ended 30 Jun 20	Year ended 30 Jun 19	% change
Revenue	3 375	4 331	(22.1)
Operating profit	103	265	(61.1)

Headline Earnings



Intrinsic Value

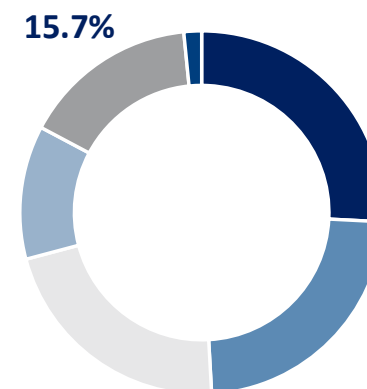


A vertical stack of logos on a dark blue background with a hexagonal pattern. From top to bottom: AIR PRODUCTS, TOTAL, kth, WISPECO Aluminium, and PGSI (PGSI Limited).

INFRASTRUCTURE

R million	Headline earnings			Intrinsic value		
	Year ended 30 Jun 20	Year ended 30 Jun 19	% change	As at 30 Jun 20	As at 30 Jun 19	% change
CIVH	(649)	(204)	(218.1)	10 584	8 403	26.0
Grindrod	(12)	72	(116.7)	532	1 049	(49.3)
Grindrod Shipping	(46)	(65)	29.2	208	292	(28.8)
SEACOM	(10)	(2)	(400.0)	909	912	(0.3)
Other (incl. PRIF)	1	25	(96.0)	376	259	45.2
Total	(716)	(174)	(311.5)	12 609	10 915	15.5

Contribution to Intrinsic NAV*



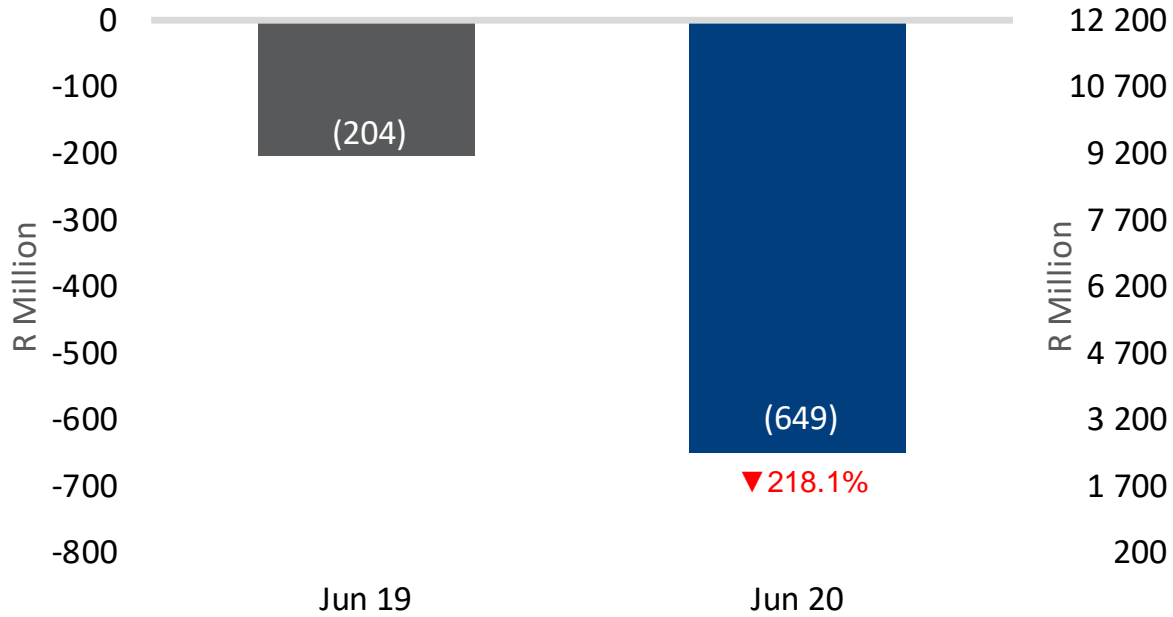
*Excluding RMH, other investments, treasury and corporate costs

Infrastructure contributed headline losses for the year ended 30 June 2020 and 30 June 2019

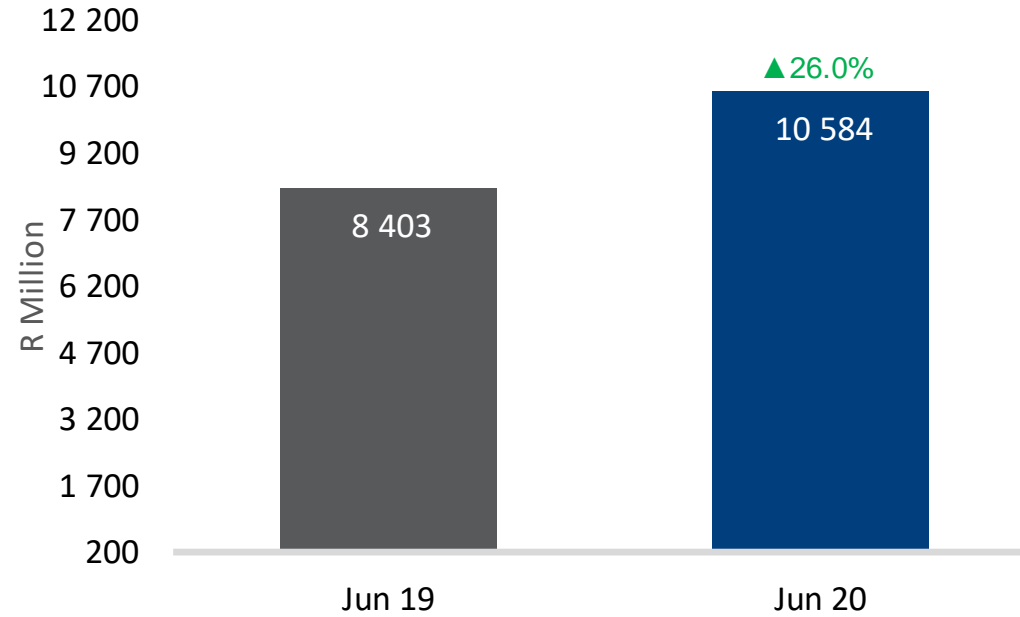
INFRASTRUCTURE | CIVH

R million	Year ended 31 Mar 20	Year ended 31 Mar 19	% change
Revenue	3 704	2 350	57.7
Operating profit	608	243	150.2

Headline Earnings



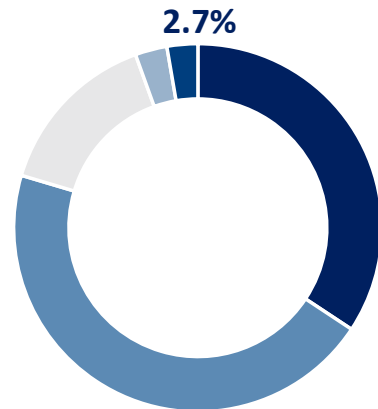
Intrinsic Value



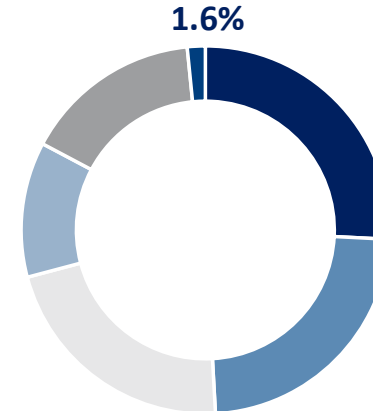
MEDIA AND SPORT

R million	Headline earnings			Intrinsic value		
	Year ended 30 Jun 20	Year ended 30 Jun 19	% change	As at 30 Jun 20	As at 30 Jun 19	% change
eMedia	78	39	100.0	947	773	22.5
Other	19	(19)	200.0	321	267	20.2
Total	97	20	385.0	1 268	1 040	21.9

Contribution to Headline earnings*



Contribution to Intrinsic NAV*



*Excluding RMH, other investments, treasury and corporate costs

OTHER INVESTMENTS, TREASURY AND CORPORATE COSTS

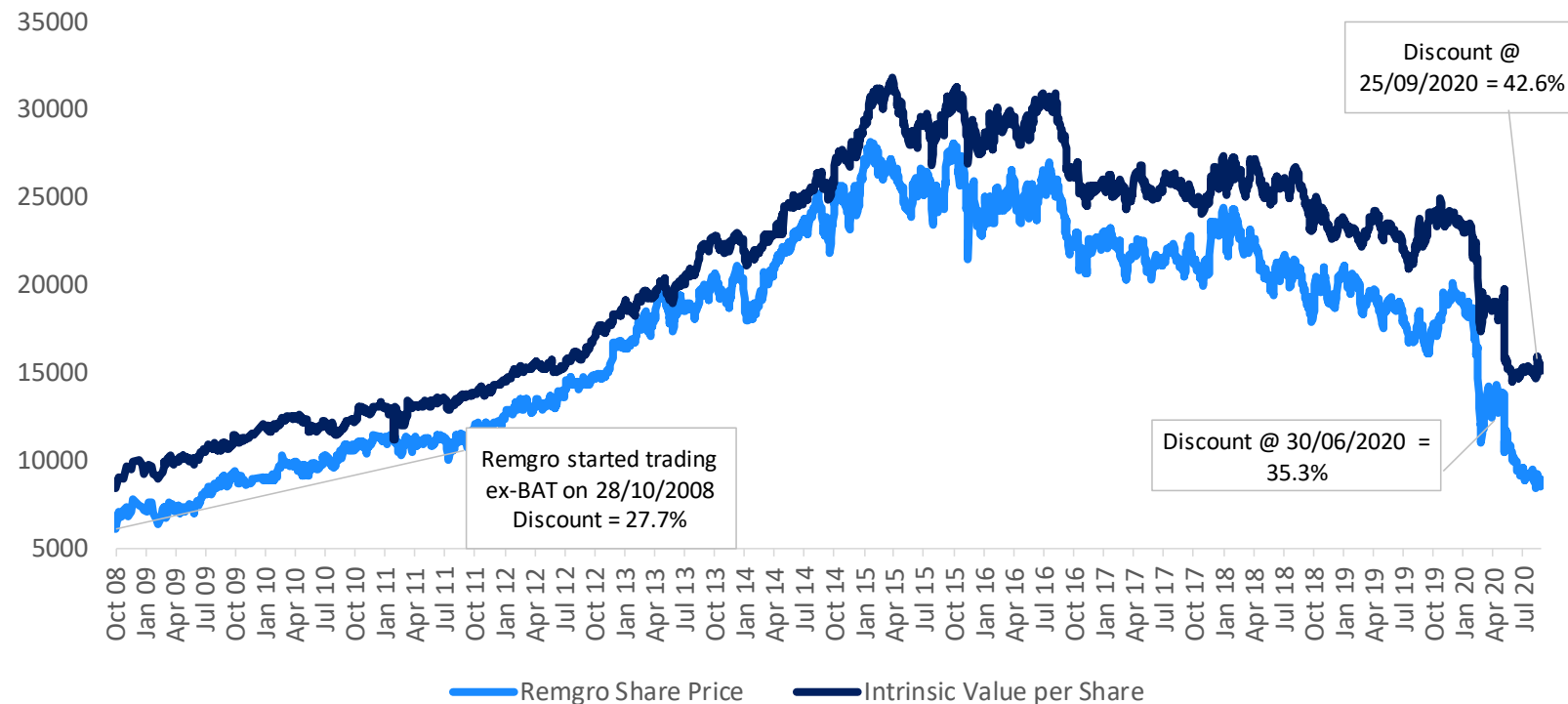
R million	Headline earnings			Intrinsic value		
	Year ended 30 Jun 20	Year ended 30 Jun 19	% change	As at 30 Jun 20	As at 30 Jun 19	% change
Other investments	(66)	39	(269.2)	4 439	4 795	(7.4)
Central treasury						
- Finance income/cash	479	755	(36.6)	17 073	15 727	8.6
- Finance costs/debt	(951)	(823)	(15.6)	(15 288)	(13 919)	(9.8)
- Option remeasurement	2	112	(98.2)			
Other net corporate costs/assets	(667)	(187)	(256.7)	3 599	2 499	44.0
Total	(1 203)	(104)	(1 056.7)	9 823	9 102	7.9



SUMMARY OF INTRINSIC NET ASSET VALUE

	As at 25 Sep 20	As at 30 Jun 20	As at 30 Jun 19	% change
Discount to intrinsic value	42.6%	35.3%	19.4%	(1 590 bps)
Intrinsic value – after CGT (Rand)	150.98	154.47	233.03	▼ 33.7%
Closing share price (Rand)	86.71	99.90	187.90	▼ 46.8%

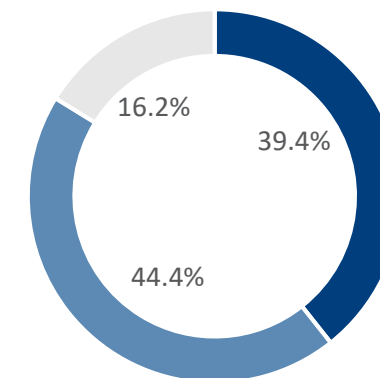
Intrinsic value vs Remgro share price



CASH AND DEBT AT THE CENTRE

R million	30 Jun 2019	% of total	30 Jun 2020
Local cash	9 038	39.3	6 716
Offshore cash	6 689	60.7	10 357
GB£ 352.9m (@ R21.45/GB£)	2 063	44.4	7 572
US\$ 159.7m (@ R17.35/US\$)	4 550	16.2	2 770
Other	76	0.1	15
Cash at the centre	15 727	100.0	17 073
Debt at the centre			R million
Exchangeable bonds (GB£350m, 2.625% coupon, effective interest rate of 4.48%)			7 509
RMB preference shares (7.5%)			3 500
Standard Bank preference shares (8.3%, 16 Mar 2021: 7.8%)			4 366
Total debt at the centre			15 375
Net cash at the centre			1 698

Currency exposure
Balance: R17 073m



■ ZAR ■ GB£ ■ US\$

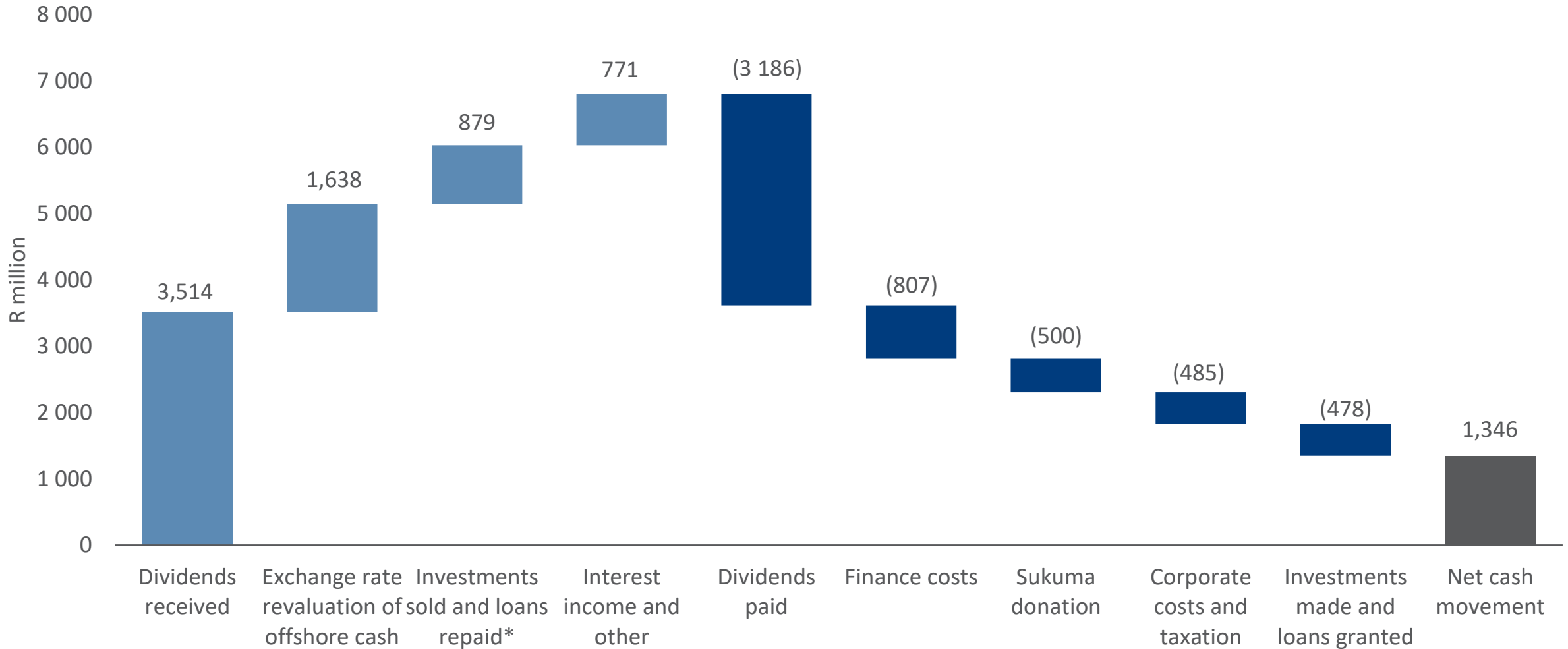
Maturity date

22 Mar 2021

15 Jan 2024

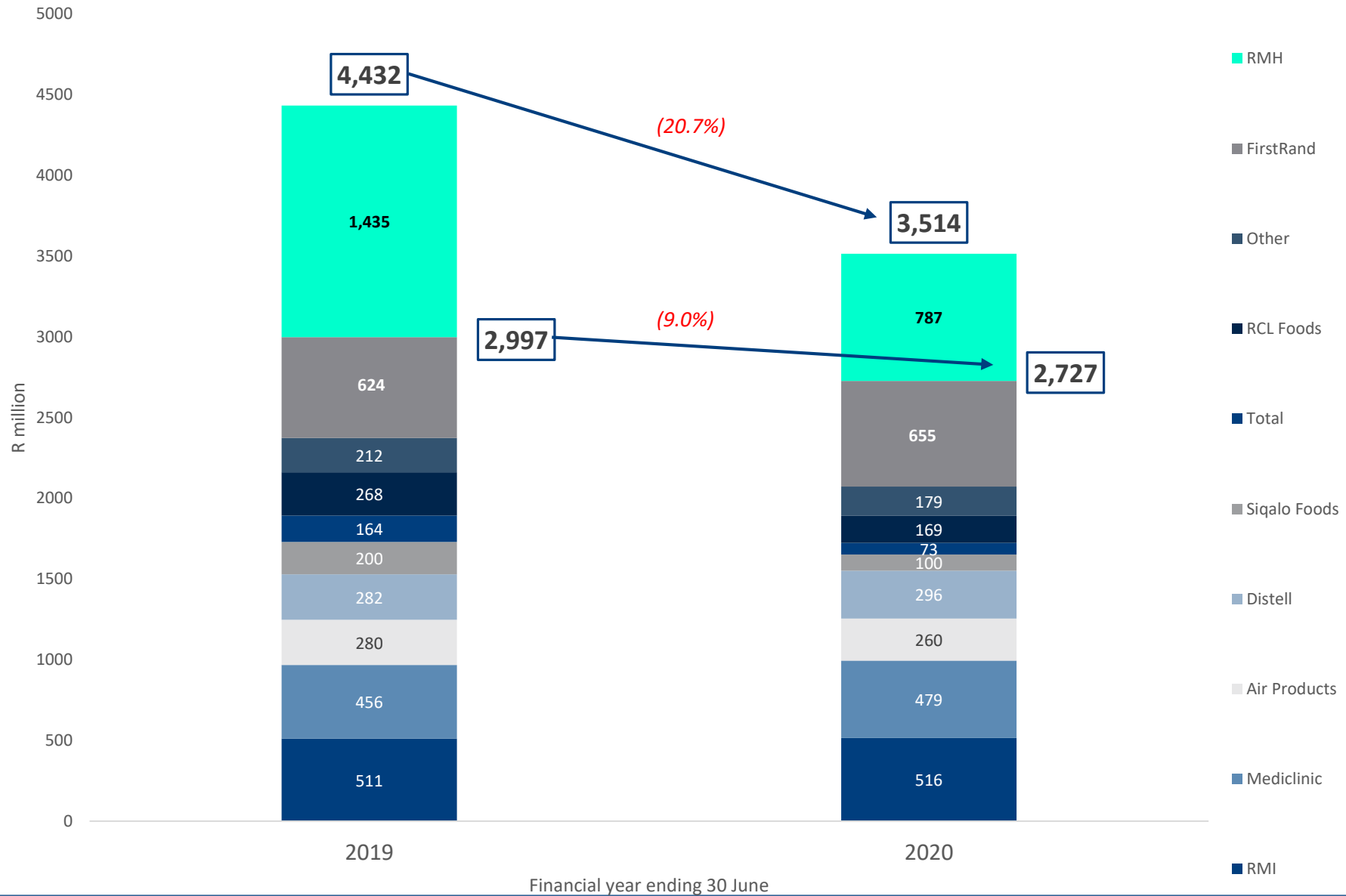
17 Mar 2025

CASH FLOW AT THE CENTRE

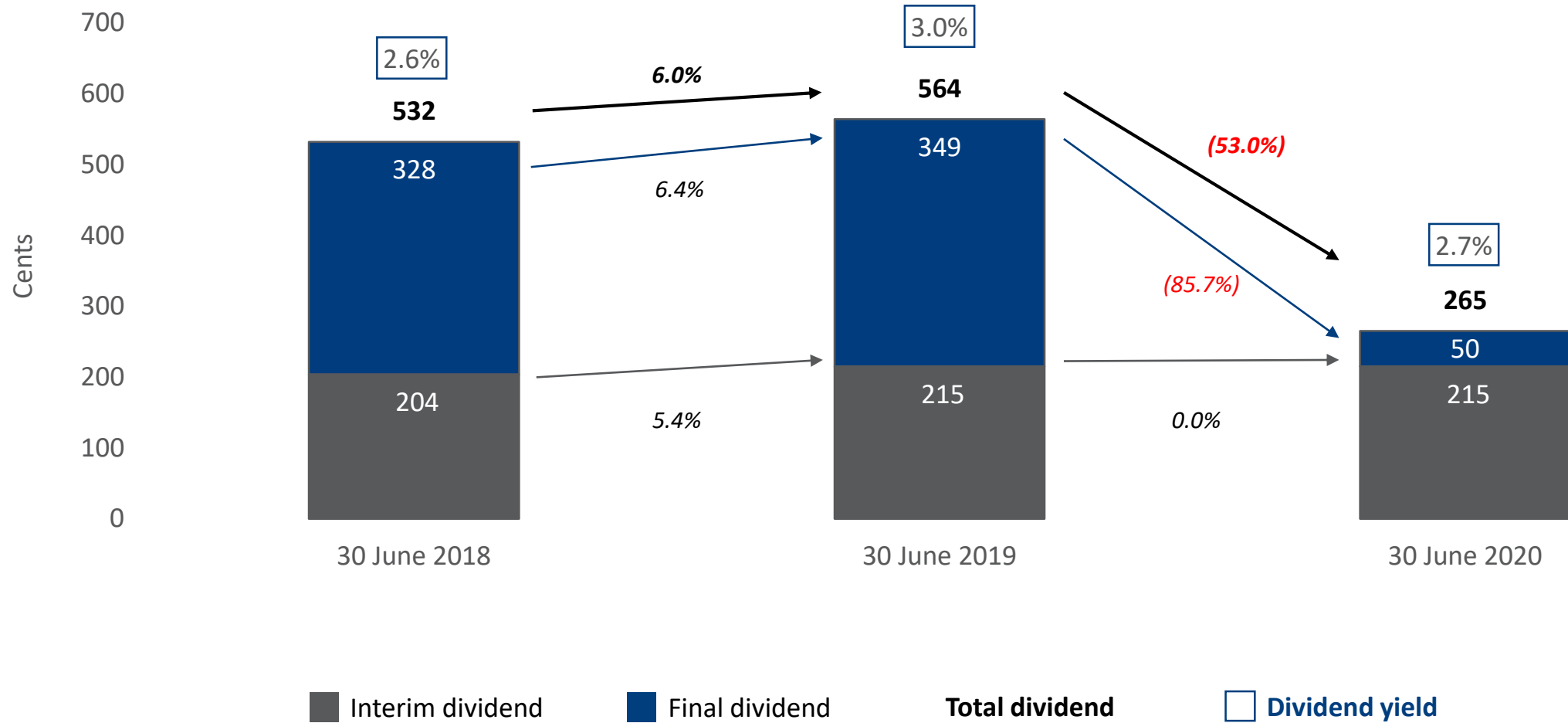


* The investments sold relate mainly to distributions from Milestone III amounting to US\$45.8m (R687m), and the redemption of the JHL bonds amounting to \$12m (R166m)

DIVIDENDS RECEIVED AT THE CENTRE



CASH DIVIDEND





06 CLOSING COMMENTS
AND Q&A

THANK YOU

For more information visit our website
www.remgro.com

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VALUATION OF UNLISTED INVESTMENTS | IFRS 13 FRAMEWORK

Investment	Valuation method	12 month change	Forecast and/or tradability discount
Siqalo Foods	Discounted cash flow	(0.3%)	Yes
Total	Discounted cash flow	(7.6%)	Yes
Air Products	Discounted cash flow	(6.7%)	Yes
KTH	Sum-of-the-parts (external valuation)	(7.8%)	Yes
Wispeco	Discounted cash flow	(6.5%)	Yes
PGSI	Discounted cash flow	2.2%	Yes
CIVH	Discounted cash flow	26.0%	Yes
SEACOM	Discounted cash flow	(0.3%)	Yes
eMedia Investments	Comparable market price	22.5%	No

Factors taken into consideration in determining the unlisted investments' valuations:

- Growth potential and risk
- Underlying NAV
- Profit history
- Cash flow projections
- Macroeconomic factors
- Peer group performance