



RMH RESULTS DISCUSSION

23 MARCH 2021

AGENDA



- 1 RMH Results
- 2 Breakdown of RMH NAV
- 3 Portfolio discussion
- 4 Reaffirming the strategic framework
- 5 Engagement on RMH remuneration structure



SECTION 1

RMH and RMH Property:
Results



RMH AND RMH PROPERTY RESULTS



HEADLINE EARNINGS

R million	For the six months ended 31 Dec			For the year ended 30 Jun
	2020	2019	% change	2020
Headline earnings – discontinued operations	-	4 763		5 639
RMH Property	(21)	10		83
Centre income/(costs)	16	(190)		(345)
Headline loss	(5)	(180)	(97)	(262)
Total headline earnings	(5)	4 583	(>100)	5 377

CARRYING VALUE OF RMH PROPERTY

R million	For the six months ended 31 Dec			For the year ended 30 Jun
	2020	2019	% change	2020
Atterbury Europe	2 005	1 986		2 151
Bucharest opportunity	906	677		977
Atterbury	371	437		370
Integer	181	116		120
Divercity	136	155		143
RMH Property	3 599	3 371	7	3 761



SECTION 2

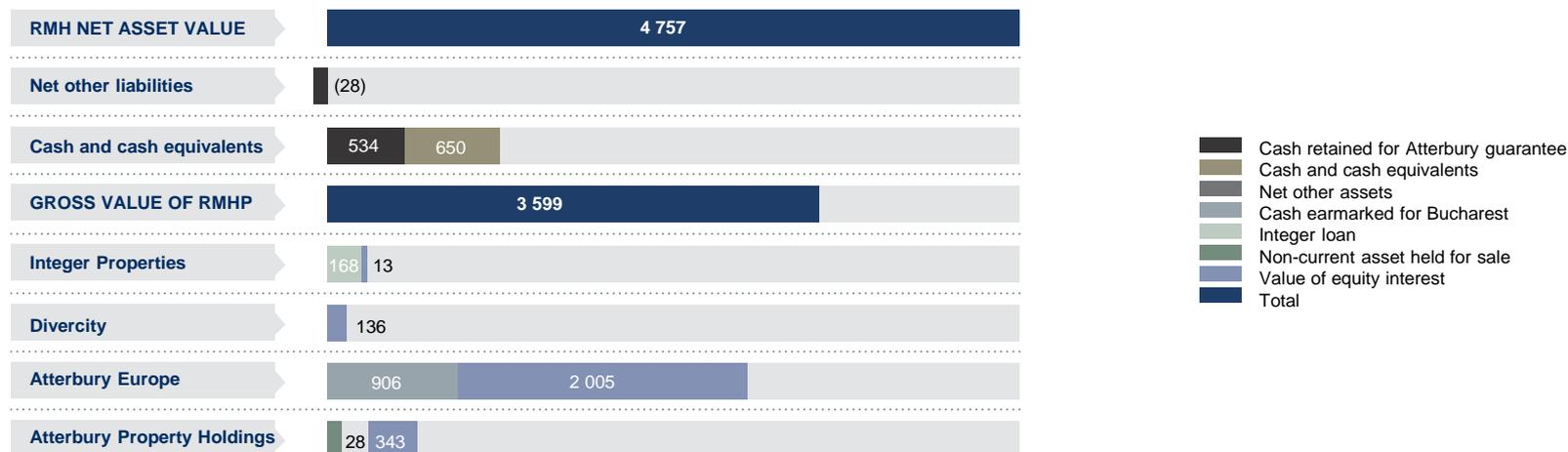
RMH net asset value



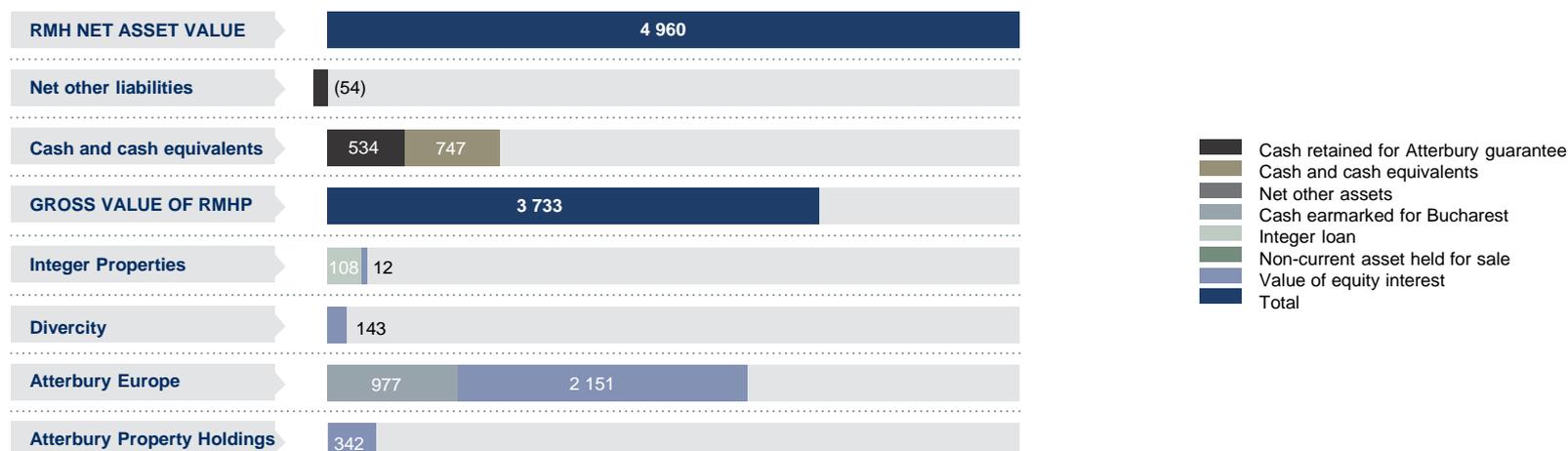


RMH NET ASSET VALUE BREAKDOWN

NET ASSET VALUE (R'M) AS AT DECEMBER 2020



NET ASSET VALUE (R'M) AS AT JUNE 2020





SECTION 3

Portfolio discussion



COMPANY UPDATE



ATTERBURY PROPERTY HOLDINGS

- The net asset value of Atterbury Property Holdings remained flat for the six months ended 31 December 2020 at R343 million which, when one considers the impact of the pandemic and the resultant lockdown on the global property industry, is a very pleasing result.
- During 2020 and with a view on future growth, Atterbury completed several new developments including the Mediclinic in Stellenbosch, the Deloitte Head Office in Waterfall, Richmond Corner in the Cape and Castle Gate Retail in Pretoria.
- Shareholders are also referred to the cautionary announcement released by Attacq Limited on 15 February 2021 regarding the possible disposal of an investment property. A further announcement will be made in due course.



ATTERBURY EUROPE

- The net asset value of Atterbury Europe reduced slightly (6.8%) from R2 151 million for the financial period ended 30 June 2020 to R2 005 million at 31 December. This movement was mainly attributable to the Rand strengthening against the Euro over the same period.
- Operations in the European portfolio were negatively affected by Covid and the resultant lockdowns in each of the countries in which Atterbury Europe operates. Regulations in Cyprus and Serbia enforced lockdowns from early December until Christmas resulting in depressed trading in retail centres in these countries. Romania's lockdown regulations were less stringent and thus trading was less impacted, however the numbers were nonetheless depressed relative to the prior year.
- That said, as a result of the relatively low loan-to-value ratios and the moratoriums placed on debt repayments Atterbury Europe's cash flow remains healthy.
- The retail sector recovered much quicker than was expected between the first and the second lockdowns and the market is expecting a similar speedy recovery.

UPDATE ON THE BUCHAREST OPPORTUNITY

Return of cash earmarked for Bucharest opportunity to shareholders



In November 2018, RMH Property entered into a partnership opportunity with Atterbury Europe and the Iulius Group to develop a new hub for business, entertainment, retail and residential living in Bucharest. RMH Property capped its participation in the Bucharest opportunity to €50 million. This commitment is currently held by Atterbury Europe on deposit in cash and remains under the control of RMH Property until the fulfilment of certain land ownership conditions precedent.

Shareholders are advised that these conditions, which had to be fulfilled by the long stop date of 31 March 2021 and that would have resulted in the loan to Atterbury Europe being converted to share capital, will not be fulfilled by this date. As a result thereof, the €50 million will be returned to RMH Property by 31 March 2021. In line with its previously communicated undertaking, RMH will in turn distribute this amount to its shareholders in the form of a dividend. A further announcement setting out the details of this distribution will be made in due course.

Whilst the Bucharest development was an important part of the Atterbury Europe strategy; there remain other compelling growth opportunities for the business.

COMPANY UPDATE



Divercity

- Divercity's net asset value decreased in the six months ended 31 December 2020 to R136 million (from R143 million at 30 June 2020) as a result of the macroeconomic impact of the lockdown.
- Divercity's residential portfolios were the most impacted by the pandemic. Vacancies were higher than anticipated and new developments are taking longer to fill, collections however remained stable.
- Divercity's loan-to-value ratio remained within acceptable levels.



Integer Properties

- The portfolio is predominantly made up of single tenanted properties with medium to long term leases which meant it was not impacted by the Covid pandemic and the resultant lockdowns to the same extent as the rest of the property industry.
- Integer Properties has entered a phase of realisation and good progress has been made over the past six months in very difficult trading circumstances with sales of four properties being concluded.
- Whilst the realisation of the portfolio is ongoing, the operational performance remained intact with low vacancy rates, collections remaining strong and the interest coverage ratios remaining comfortable.



SECTION 4

Strategic framework



REAFFIRMING THE STRATEGIC FRAMEWORK

RMH continues to follow a strategy of orderly monetisation

1

PARTNER AND ENHANCE

RMH Property partners and works closely with its portfolio companies to ensure disciplined capital allocation and to guide, support and challenge them to deliver on their investment and development pipelines in a manner that will ultimately sufficiently de-leverage their capital structures, enhance NAV and produce sustainable earnings and dividend yields.

2

PRUDENCE

RMH is appropriately capitalised; albeit that lower interest rates have reduced the yield on the working capital endowment. The RMH Board adopts a prudent approach to capital management retaining sufficient capacity and optionality to:

- support its portfolio companies should they experience strain in the current COVID-19 environment;
- invest further in its portfolio companies, where appropriate, should attractive investment opportunities arise therein; and
- exploit (small) and value accretive opportunities at the RMH Property level where these facilitate RMH's NAV growth ambitions.

3

MONETISE

As previously communicated to shareholders, the core strategy of RMH remains to monetise the RMH Property portfolio, in an orderly manner, and to return maximum value to RMH shareholders.

RMH Property continues to work on a monetisation in a four to five year period, with the smaller assets the near-term focus.

Any changes to RMH's stated strategy would be in consultation with shareholders.



SECTION 5

RMH remuneration
structure



