

# **Audited annual financial statements**

for the year ended 31 March 2023

# Contents

**2**

Directors' responsibility statement

**3**

Declaration by the company secretary

**3**

Declaration by the financial director and chief executive officer

**4**

Directors' report

**6**

Audit and risk committee report

**8**

Independent auditor's report

**11**

Consolidated and separate statements of financial position

**12**

Consolidated and separate statements of profit or loss and other comprehensive income

**13**

Consolidated statement of changes in equity

**13**

Separate statement of changes in equity

**14**

Consolidated and separate statements of cash flows

**15**

Accounting policies

**62**

Shareholding

**63**

Administration

## Navigation within this report

---



*Directs readers to the page in these annual financial statements.*

# Directors' responsibility statement

## To the shareholders of RMB Holdings Limited

The directors of RMB Holdings Limited (RMH or the company) are required by the Companies Act, 71 of 2008 (Companies Act) to prepare consolidated and separate annual financial statements.

In discharging this responsibility, the directors rely on management to prepare the consolidated and separate annual financial statements in accordance with International Financial Reporting Standards (IFRS), the listings requirements of the JSE (JSE Listings Requirements) and the Companies Act and for keeping adequate accounting records in accordance with the group's system of internal control.

As such, the annual financial statements include amounts based on judgements and estimates made by management.

In preparing the annual financial statements, suitable accounting policies have been applied and reasonable estimates have been made by management. The directors approve changes to accounting policies. There were, however, no changes to accounting policies during the financial year. The annual financial statements incorporate full and appropriate disclosure in line with the group's philosophy of good corporate governance.

The directors are responsible for the group's system of internal control. To enable the directors to meet these responsibilities, the directors set the standards for internal control to reduce the risk of error or loss in a cost-effective manner. The standards include the appropriate delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group.

Based on the information and explanations given by management and the internal auditor, nothing has come to the attention of the directors to indicate that the internal controls are inadequate or that the financial records may not be relied on in preparing the consolidated and separate annual financial statements in accordance with IFRS and maintaining accountability for the group's assets and liabilities.

Nothing has come to the attention of the directors to indicate any breakdown in the functioning of internal controls, resulting in a material loss to the group, both during the year and up to the date of this report.

Based on the effective internal controls implemented by management, the directors are satisfied that the consolidated and separate annual financial statements fairly present the state of affairs of the group and the company at the end of the financial year and the net income and cash flows for the year. Brian Roberts BCom (Hons) supervised the preparation of the annual financial statements for the year.

The directors have reviewed the group and company budgets and flow of funds forecasts and considered the group's and the company's ability to continue as going concerns in the light of current and anticipated economic conditions. The directors have reviewed the assumptions underlying these budgets and forecasts, based on currently available information. The assumptions took into consideration the uncertainty caused by the dispute between RMH and Atterbury Property Holdings Proprietary Limited (Atterbury). On 7 July 2023, Atterbury issued a conversion notice in settlement of the facility provided by RMB, a division of FirstRand Bank Limited. RMB responded by calling on both the guarantees provided by RMH and a subsidiary of RMH, RMH Asset Holding Company Proprietary Limited (RMHAH). RMH declined to pay under the RMH guarantee and proceeded to pay under the RMHAH guarantee. Immediately upon payment under the RMHAH guarantee, RMHAH assumed all the rights of the lender under the facility agreement. As of the close of business on Friday, 7 July 2023, RMHAH was the lender of the facility. As a consequence of RMH having declined to pay under the RMH guarantee, on 10 July 2023 RMHAH exercised its right to decline the offer from Atterbury to repay the loan amount outstanding by the issuance of shares and demanded an amount of R487 million from Atterbury. The amount remains outstanding at the date of the annual financial statements. Based on this review and in light of the current financial position and the historical trading position, the directors are satisfied that the group and the company have adequate resources to continue in business for the foreseeable future. The going concern basis therefore continues to apply and has been adopted in the preparation of the consolidated and separate annual financial statements.

It is the responsibility of the group's independent external auditor, Deloitte & Touche, to give an opinion on the fair presentation of the consolidated and separate annual financial statements.

 Their unmodified opinion appears on pages 8 to 10.

The consolidated and separate annual financial statements, which appear on pages 11 to 61, were approved by the board of directors of RMH (the board) on 27 July 2023 and are signed on its behalf by:



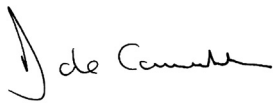
Herman Bosman  
Acting chairman



Brian Roberts  
CEO

# Declaration by the company secretary

I declare that, to the best of our knowledge, the company has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Companies Act and that all such returns are true, correct and up to date.



IKB Company Secretaries Proprietary Limited  
Company secretary

27 July 2023

# Declaration by the financial director and chief executive officer

Each of the directors, whose names are stated below, hereby confirms that:

- a) the annual financial statements set out on pages 11 to 61, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
- d) the internal financial controls are adequate and effective and can be relied upon in compiling the financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- e) where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- f) we are not aware of any fraud involving directors.



Brian Roberts  
CEO

27 July 2023



Ellen Marais  
Financial director

# Directors' report

## Nature of business

RMH was the founding and largest shareholder of FirstRand Limited (FirstRand), one of South Africa's largest banking groups.


In 2016, RMH expanded its investment strategy to include a property investment business, comprising scalable entrepreneurial businesses with proven track records in managing and building out property, RMH Property. Since the unbundling of the FirstRand interest in June 2020, this is the only significant investment remaining in RMH.

RMH has a stated strategy of monetisation of this interest and is actively seeking such opportunities. In line with this strategy and in consultation with its shareholders, RMH Property disposed of its 37.5% stake in Atterbury Europe Holding B.V (Atterbury Europe) on 7 September 2022 to Brightbridge Real Estate Limited, one of the existing Atterbury Europe shareholders. Various approaches were previously received but not recommended for approval by shareholders. The approach received in March 2022 was considered fair and reasonable by the board and the board was comfortable to recommend it for approval.

The investments in RMH Property that remain are the following:

- 27.5% (2022: 27.5%) of Atterbury Property Holdings Proprietary Limited (Atterbury);
- 11.4 % (2022: 11.4%) interest in the Divercity Urban Property Fund Proprietary Limited (Divercity); and
- Shareholdings of 9% (2021: 9%) in Integer Properties 1 Proprietary Limited, 20% (2021: 20%) in Integer Properties 2 Proprietary Limited and 50% (2021: 50%) in Integer Properties 3 Proprietary Limited, collectively referred to as Integer.

## Share capital

 Details of the company's authorised share capital as at 31 March 2023 are shown in note 6 to the annual financial statements.

## Ordinary shares

There was no change in the authorised ordinary share capital during the year and no ordinary shares were issued during the year.

At the annual general meeting of the shareholders of the company, held on 20 September 2022, a special resolution was passed authorising the board of the company or the board of a subsidiary of the company to approve the purchase of shares in RMH during the period up to and including the date of the following annual general meeting. A general repurchase is limited in any one financial year to a cumulative maximum of 10% of the company's issued share capital. This resolution is subject to the provisions of the Companies Act and the JSE Listings Requirements. No such shares were purchased in the current or previous year.


## Shareholder analysis

Based on information disclosed by STRATE and investigations conducted on behalf of the company, the following shareholders had an interest of 5% or more in the issued ordinary share capital of the company:

|  | As at 31 March |      |
|--|----------------|------|
|  | 2023           | 2022 |
| %  |                |      |
| Coronation Fund Managers                                     | 15             | 9    |
| Royal Bafokeng Holdings Proprietary Limited (Royal Bafokeng) | 13             | 13   |
| Visio Capital Management                                     | *              | 9    |
| Steyn Capital Management                                     | 6              | *    |
| SBG Securities   | *              | 7    |
| Sygnia Asset Management                                      | *              | 9    |
| Shareholding   | 34             | 47   |

\* Interest below 5%

## Group results

 A general review of the financial results of the group and the operations of its major investments is provided in the RMH financial results announcement published on the website, [www.rmh.co.za](http://www.rmh.co.za).

## Dividends

RMH's ordinary dividend policy is to pay no dividends, distributions will only be paid as assets are monetised. In line with this, no ordinary dividends were declared by RMH during the year under review. On 9 September 2022, following the disposal of Atterbury Europe, RMH declared a special dividend of 141.7 cents per share. The sale proceeds of R1.75 billion would have equated to 124.0 cents per RMH share. RMH decided to return additional cash on hand to shareholders, resulting in an increase in the special dividend by 17.7 cents. The dividend was 18.0 cents per share as a return of contributed tax capital and 123.7 cents per share paid out of reserves. RMH now has less than R3 million of contributed tax capital remaining. In the prior year, on 8 April 2021, RMH declared a special dividend of 80 cents per share. This special dividend occurred as a direct result of the repayment of the Euro 50 million loan by Atterbury Europe earmarked for the Bucharest opportunity and management's decision to reduce the cash retained for ongoing operations in alignment with the monetisation strategy.

## Directorate and board changes

The directorate as at the date of this report consists of:

### Directors

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

DIRECTORS' REPORT continued

## Changes

During 2022, Rand Merchant Investment Holdings Limited (RMI), RMH's sister company, announced its transition to OUTsureance Group Limited and the distribution of all its other remaining listed investments. As a result, the arrangement and the dispensation obtained from the JSE for Herman Bosman to act as both CEO and financial director of RMH and RMI came to an end. Herman Bosman vacated this position on 30 November 2022. Furthermore, Brian Roberts, CEO of RMH Property, replaced Herman Bosman as CEO and Ellen Marais, the then-company secretary and financial manager, was appointed as financial director.


Sonja De Bruyn stepped down as chairman effective, 29 June 2023. Herman Bosman took up the position of acting chairman of the RMH board effective 29 June 2023. Following his appointment as a non-executive director at the upcoming annual general meeting, he will officially be confirmed as the chairman of RMH.

Murphy Morobe retained the position as lead independent non-executive director.

## Directors' interests in RMH

### Directors' interests in contracts

During the financial year, no contracts were entered into in which directors or officers of the company had an interest and which significantly affected the business of the group. The directors had no interest in any third party or company responsible for managing any of the business activities of the group, except to the extent that they are shareholders in RMH, as disclosed in this report.

 Details of related party transactions are shown in note 18 to the annual financial statements.


| 000's                          | Direct beneficial | Indirect beneficial | Held by associates | 31 March 2023 | %          | 31 March 2022 |
|--------------------------------|-------------------|---------------------|--------------------|---------------|------------|---------------|
| <b>Executive directors</b>     |                   |                     |                    |               |            |               |
| Brian Roberts <sup>1</sup>     | 49 429            | –                   | –                  | 49 429        | 3.5        | 12 271        |
| Ellen Marais                   | 20 080            | –                   | –                  | 20 080        | 1.4        |               |
| <b>Non-executive directors</b> |                   |                     |                    |               |            |               |
| Herman Bosman <sup>1,2</sup>   | 16                | –                   | –                  | 16            | 0.0        | 5 215         |
| James Teeger                   | 54                | –                   | –                  | 54            | 0.0        | 54            |
| <b>Total</b>                   | <b>69 579</b>     | <b>–</b>            | <b>–</b>           | <b>69 579</b> | <b>4.9</b> | <b>17 540</b> |

<sup>1</sup> This includes the forfeitable shares issued during the prior year as a result of the special dividend paid on 10 May 2021 as well as the special dividend paid in the current year on 10 October 2022. Refer to the SENS announcements released on 15 March 2022 and 13 December 2022, respectively.

<sup>2</sup> Herman Bosman stepped down as CEO and financial director on 1 December 2022 and was replaced by Brian Roberts and Ellen Marais, respectively. Herman Bosman remained on the board in a non-executive capacity.

The directors' interests remained unchanged from the end of the financial year to the date of this report.

## Directors' emoluments and participation in incentive schemes

 Directors' emoluments and participation in incentive schemes are disclosed in notes 23 and 24 respectively.

## Directors' service contracts

All eligible, non-executive directors are elected for a period of three years. All executive directors have a notice period of one month. Directors are not entitled to additional compensation in the event of being removed from office.

## Insurance

RMH has appropriate insurance cover against crime risks as well as professional indemnity.

## Change in financial year-end

Following the disposal of Atterbury Europe, the biggest component of RMH is Atterbury. The decision has therefore been made to change the financial year-end of RMH to September. Although this does not align with Atterbury's June year-end, it will enable RMH to use Atterbury's June audited results, adjusted for any significant subsequent events, in compiling its audited results. This change is within the three-month's difference in year-end as permitted by IFRS. As a result, RMH will be releasing six-months audited results for 30 September 2023 in January 2024 as opposed to interim results. Provisional reviewed results for the six months ended 30 September 2023 will be released in December 2023.

## External auditor

There was no change in the external auditor during the current year. Deloitte & Touche has been the external auditor of RMH for the past three financial years. Mandatory audit firm rotation became effective on 1 April 2023. As Deloitte & Touche has been the external auditor for less than ten consecutive years before 1 April 2023, Deloitte & Touche will be eligible for reappointment for the next five financial years.

## Directors' and prescribed officers' interests in ordinary shares of RMH

According to the register of directors' interests maintained by the company in accordance with section 30(4)(d) of the Companies Act, the directors have disclosed the following interests in the ordinary shares of RMH:


## Company secretary and registered address

IKB Company Secretaries Proprietary Limited replaced EJ Marais as the company secretary effective 1 December 2022. Their address is that of the company's registered office. The company's registered office is at: Zero 01 Solution House, 42 Gazelle Avenue, Corporate Park South, Midrand, 1685.

## Special resolutions

A full list of the special resolutions passed by the company during the year is available to shareholders on request.

## Events subsequent to the reporting date

 Details of events subsequent to reporting date are disclosed in note 20 to the annual financial statements.

# Audit and risk committee report

The audit and risk committee has pleasure in submitting this report, as required in terms of the principles of the King IV Report on Corporate Governance for South Africa, 2016 (King IV) and the requirements of the Companies Act, 71 of 2008, as amended (Companies Act).

## Audit and risk committee membership and meetings

The audit and risk committee is an independent statutory committee and consists of three non-executive directors who act independently, as described in section 94 of the Companies Act. Members are appointed by the shareholders. The current members are the chairman, P Lagerström BSc (Accounting) MSc (Economics) (London School of Economics), SEN De Bruyn LLB (Hons) LSE MA (McGill) SFA and JA Teeger B Comm BAcc CA(SA) HDip Tax. All members were re-elected at the annual general meeting.

The chairman is an independent, non-executive director and attends the annual general meeting. The committee meets at least twice a year or at the request of the chairman, any member of the committee, the board or the external auditor. Comprehensive minutes of meetings are kept. The CEO and financial director attend the meetings. The committee invites, at its discretion, the appropriate representatives of the external auditor and other professional advisors whose input may be required. Board members have the right to attend. The chairman may excuse from the meeting or from the proceedings in respect of any item on the agenda any of the attendees at a meeting who may be considered to have a conflict of interest.

During the year under review, two meetings were held.

|                         | December 2022 | June 2023 |
|-------------------------|---------------|-----------|
| P Lagerström (chairman) | ✓             | ✓         |
| SEN De Bruyn            | ✓             | A         |
| JA Teeger               | ✓             | ✓         |

A = apologies

The key focus areas of the meetings were as follows:

|                      |   |
|----------------------|---|
| <b>June 2023</b>     | <ul style="list-style-type: none"> <li>■ Approval of the year-end results including annual financial statements and related SENS announcement;</li> <li>■ Approval of material risks for inclusion in the integrated report;</li> <li>■ Approval of change in year-end;</li> <li>■ Recommendation for re-appointment of external auditor at the upcoming annual general meeting;</li> <li>■ Appropriateness of financial control function following the termination of the RMI service level agreements;</li> <li>■ Approval of risk register;</li> <li>■ Approval of key judgements and assumptions applied in the preparation of financial results; and</li> <li>■ Feedback from external and internal auditors.</li> </ul> |
| <b>December 2022</b> | <ul style="list-style-type: none"> <li>■ Approval of the interim results and related SENS announcements;</li> <li>■ Approval of risk register;</li> <li>■ Approval of key judgements and assumptions applied in the preparation of financial results; and</li> <li>■ Approval of internal and external audit plans and fees.</li> </ul>   |

## Roles and responsibilities

At the meetings, the members fulfilled all their functions as prescribed by section 94(7) of the Companies Act, the JSE Listings Requirements and the committee's charter, which is updated annually and approved by the board. The committee's objectives are to assist the board of directors in fulfilling its fiduciary duties regarding:

- The safeguarding of assets;
- The financial reporting process;
- The system of internal control;
- The management of financial and non-financial risks;
- The audit process and approval of non-audit services;
- The group's process for monitoring compliance with the laws and regulations applicable to it;
- The group's compliance with corporate governance practices;
- Review of the integrated report, including key audit matters outlined in the external auditor's report;
- The business conduct of RMH and its officials;
- Ensuring that the accounting policies applied are consistent, appropriate and in compliance with IFRS;
- The appointment of the external auditor and the evaluation of their services and independence; and
- The appointment of the internal auditor if considered appropriate, the evaluation of the effectiveness of the service and the appropriateness of the expertise of the chief audit executive.

## Combined assurance

The board does not only rely on the adequacy of the internal control embedment process but considers reports on the effectiveness of risk management activities. The audit and risk committee ensures that the assurance functions of management as well as internal and external audit are sufficiently integrated.

The various assurance providers to the board comprise the following:

- Senior management, that considers the company's risk strategy and policy, along with the effectiveness and efficiency thereof; and
- The audit and risk committee, which considers the adequacy of risk management strategies, systems of internal control, risk profiles, legal compliance, internal and external audit reports and reviews the independence of the external auditor, the extent and nature of audit engagements, scope of work and findings. This committee also reviews the level of disclosure in the financial statements and the appropriateness of accounting policies adopted by management, the ethics register and other loss incidents reported. The board reviews the performance of the audit and risk committee against its charter.

## The finance function

The committee considered and satisfied itself with the appropriateness of the expertise and adequacy of resources of the finance function. The committee reviewed the performance, appropriateness and expertise of the financial director, EJ Marais, and confirms that she is suitable as financial director in terms of the JSE Listings Requirements.


## Effectiveness of the company's internal financial controls

The committee reports to the board that it is of the opinion that, based on enquiries made and the reports from the internal and external auditors, the risk management processes and systems of internal control of the company and its investments were effective for the year under review. No material weaknesses in the financial control of the company and its investments were reported for the year under review.


## External audit

The audit and risk committee considered the performance of the external auditor and concluded that their performance was satisfactory.

The committee approved the 2023 audit plan and fees. The external audit scope of work is adequately integrated with the internal audit function without restricting the scope. The committee believes that the external auditor has observed the highest level of business and professional ethics. The committee is satisfied that the external auditor has at all times acted with unimpaired independence. The committee meets with the external auditor independently of senior management.

 Details of fees paid to the external auditor are disclosed in note 14 to the annual financial statements. All non-audit services were approved by the committee before engagement during the current financial year.

Findings reported by the external auditor were duly considered, specifically the key audit matters for the 2023 financial year as reported in the independent auditor's report. The committee is satisfied that all these matters are appropriately reflected in the annual financial statements.

 See page 9 for an analysis of the key audit matter which arose during the audit and how they were addressed.

## Internal audit

For the year, the company outsourced its internal audit function to Remgro Management Services Limited. Internal audit is an effective independent appraisal function and employs a risk-based audit approach. The head of internal audit has direct access to the chairman of the audit and risk committee, as well as to the chairman of the board.

The audit and risk committee is of the opinion that, based on enquiries made and the reports from the internal and external auditors, the risk management processes and systems of internal control of the company and its subsidiaries were effective for the year under review.

As part of the RMH operational restructure following the termination of the RMI SLA, the committee reviewed the need for an internal audit function, considering the limited ongoing operational activity, the committee decided against the reappointment of an internal auditor. This decision will be reviewed on an annual basis.

## Annual financial statements

The audit and risk committee has reviewed and recommended approval of the consolidated and separate annual financial statements by the board. The audit and risk committee did not identify any additional key audit matters than those identified by the external auditor.

## Focus during the year ahead

The committee shall continue to attend to its roles and responsibilities during the year ahead. In addition, it will pay particular attention to the following:

- Implementing and disclosing new accounting standards;
- Ensuring that the control environment remains adequate and effective;
- Ensuring that any new regulatory requirements are fully met; and
- Performance of underlying investments and the accounting implications thereof.

The committee is satisfied that it has complied with all statutory duties as well as other duties given to it by the board under its terms of reference.



P Lagerström  
Chairman of the audit and risk committee

27 July 2023



**Deloitte.**

Private Bag X6  
Gallo Manor 2052  
South Africa

Deloitte & Touche  
Registered Auditors  
Audit & Assurance  
Deloitte  
5 Magwa Crescent  
Waterfall City  
Waterfall  
Docex 10 Johannesburg

Tel: +27 (0)11 806 5000  
www.deloitte.com

# Independent auditor's report

## To the shareholders of RMB Holdings Limited

Report on the audit of the consolidated and separate financial statements

### Opinion

We have audited the consolidated and separate financial statements of RMB Holdings Limited (the group and company) set out on pages 11 to 61, which comprise the consolidated and separate statements of financial position as at 31 March 2023, the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the period then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of RMB Holdings Limited and its subsidiaries as at 31 March 2023, and its consolidated and separate financial performance and consolidated and separate cash flows for the period then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the consolidated and separate financial statements' section of our report.

We are independent of the group and company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

The key audit matter applies to the consolidated financial statements only, there are no key audit matters for the separate financial statements.



National Executive: \*R Redfearn Chief Executive Officer \*GM Berry Chief Operating Officer JW Eshun Managing Director Businesses LN Mahluza Chief People Officer \*N Sing Chief Risk Officer AP Theophanides Chief Sustainability Officer \*NA le Riche Chief Growth Officer \*ML Tshabalala Audit & Assurance AM Babu Consulting TA Odukoya Financial Advisory G Rammego Risk Advisory DI Kubeka Tax & Legal DP Ndlovu Chair of the Board

A full list of partners and directors is available on request

\* Partner and Registered Auditor

**B-BBEE rating: Level 1 contribution in terms of the DTI Generic Scorecard as per the amended Codes of Good Practice**

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

| Key audit matter   | How the matter was addressed in the audit   |
|--|---|
| <b>Equity accounted earnings of the associate Atterbury Property Holdings Proprietary Limited (consolidated)</b>   |   |
| <p>The group holds investments which are equity accounted for in terms of <i>IAS 28: Investments in associates and joint ventures</i>. The group has a 27.5% ownership interest in its most significant associate, Atterbury Property Holdings Proprietary Limited. For the purposes of this audit report, Atterbury Property Holdings Proprietary Limited is referred to as 'Atterbury SA'.</p> <p>The group's share of the after-tax profits of Atterbury SA for the period ended 31 March 2023 was R322 million and the group's share of Atterbury SA's net assets was R448 million as at 31 March 2023.</p> <p>The equity accounting of this investment was considered to be a matter of most significance to our current year audit due to the inherent risk of material misstatement arising from the magnitude of the equity-accounted amounts recognised in relation to the reported results of the group and the significance of the group's share of the after-tax profits in the Atterbury SA group.</p> <p>Refer to the following accounting policies and notes to the consolidated financial statements for detail:</p> <ul style="list-style-type: none"> <li>■ Accounting policy note c, Principles of consolidation and equity accounting, Interest in associates;</li> <li>■ Note 4, Investment in associates and joint ventures; and</li> <li>■ Note 17, Segment reporting.</li> </ul> | <p>We performed the following procedures in order to address the key audit matter:</p> <ul style="list-style-type: none"> <li>■ Obtained an understanding of the component auditor, including an understanding of their competence, skill and independence;</li> <li>■ Conducted meetings with the component auditor to obtain an understanding of the component and its environment;</li> <li>■ Performed a review of the component auditor's audit documentation which included the review of their significant risks as well as the work that the component auditor performed on their significant components within the Atterbury SA group;</li> <li>■ Re-calculated the share of profit or loss of the equity-accounted investment;</li> <li>■ Assessed whether there are any impairment indicators in the equity-accounted investment;</li> <li>■ Assessed the disclosure of the equity-accounted investment in terms of the requirements in <i>IAS 28</i>; and</li> <li>■ Conducted close-out meetings with the component auditor to conclude on the appropriateness of the audit procedures performed on the component.</li> </ul> <p>The accounting and disclosures pertaining to the investment in Atterbury SA is found to be appropriate in terms of the relevant accounting standards.</p> |

### Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled 'RMB Holdings Limited annual financial statements for the year ended 31 March 2023', which includes the directors' report, the audit and risk committee's report, the declaration by the company secretary as required by the Companies Act of South Africa and the declaration by the financial director and chief executive officer, which we obtained prior to the date of this report, and the integrated report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based

on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and/or the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT continued

### Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or the company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.


We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other legal and regulatory requirements

In terms of the IRBA Rule published in *Government Gazette Number 39475* dated 4 December 2015, we report that Deloitte and Touche has been the auditor of RMB Holdings Limited for three years.

DocuSigned by:  
  
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**Deloitte & Touche**  
Registered Auditor  
Per: Patrick Kleb  
Partner

29 July 2023

## Consolidated and separate statements of financial position

| R million   | Note | CONSOLIDATED   |              | COMPANY      |              |
|---|------|----------------|--------------|--------------|--------------|
|   |      | As at 31 March |              |              |              |
|   |      | 2023           | 2022         | 2023         | 2022         |
| <b>ASSETS</b>   |      |                |              |              |              |
| <b>Current assets</b>   |      |                |              |              |              |
| Cash and cash equivalents   | 1    | 94             | 76           | 80           | 65           |
| Investment securities   | 2    | 772            | 1 033        | –            | –            |
| Loans and receivables   | 3    | 5              | 1            | 4            | 1            |
| Taxation receivable   |      | 3              | –            | 2            | –            |
| <b>Non-current assets</b>   |      |                |              |              |              |
| Loans and receivables   | 3    | 204            | 186          | –            | –            |
| Investment in associates and joint ventures                       | 4    | 448            | 2 683        | –            | –            |
| Investment in subsidiaries  | 5    | –              | –            | 1 229        | 3 177        |
| <b>Total assets</b>   |      | <b>1 526</b>   | <b>3 979</b> | <b>1 315</b> | <b>3 243</b> |
| <b>EQUITY</b>   |      |                |              |              |              |
| Capital and reserves attributable to the company's equity holders |      |                |              |              |              |
| Share capital and premium   | 6    | 8 574          | 8 825        | 8 574        | 8 825        |
| Reserves  | 7    | (7 158)        | (4 915)      | (7 353)      | (5 636)      |
| <b>Equity of ordinary equity holders</b>                          |      | <b>1 416</b>   | <b>3 910</b> | <b>1 221</b> | <b>3 189</b> |
| <b>LIABILITIES</b>  |      |                |              |              |              |
| <b>Current liabilities</b>  |      |                |              |              |              |
| Trade and other payables  | 8    | 32             | 32           | 31           | 29           |
| Provisions  | 9    | 61             | 1            | 58           | –            |
| Taxation payable  |      | 1              | –            | –            | –            |
| Financial liabilities   | 10   | 5              | –            | 4            | –            |
| <b>Non-current liabilities</b>                                    |      |                |              |              |              |
| Financial liabilities   | 10   | –              | 7            | –            | 7            |
| Long-term liabilities   | 23   | 11             | 29           | 1            | 18           |
| <b>Total liabilities</b>  |      | <b>110</b>     | <b>69</b>    | <b>94</b>    | <b>54</b>    |
| <b>Total equity and liabilities</b>                               |      | <b>1 526</b>   | <b>3 979</b> | <b>1 315</b> | <b>3 243</b> |

## Consolidated and separate statements of profit or loss and other comprehensive income

| R million   | Note | CONSOLIDATED                |            | COMPANY      |              |
|---|------|-----------------------------|------------|--------------|--------------|
|   |      | For the year ended 31 March |            |              |              |
|   |      | 2023                        | 2022       | 2023         | 2022         |
| Investment income   | 11   | 33                          | 16         | 2 039        | 1 028        |
| Share of after-tax profit of associates and joint ventures    | 4    | 126                         | 613        | –            | –            |
| <b>Revenue</b>  |      | <b>159</b>                  | <b>629</b> | <b>2 039</b> | <b>1 028</b> |
| Loss on sale of Atterbury Europe                              | 4    | (589)                       | –          | (14)         | –            |
| Fee income  |      | 5                           | 6          | 5            | 5            |
| Fair value gains/(losses) on financial assets and liabilities | 12   | 38                          | 30         | 3            | (3)          |
| Net impairment (losses)/reversal                              | 13   | (3)                         | 1          | (1 948)      | –            |
| <b>Net (loss)/income</b>                                      |      | <b>(390)</b>                | <b>666</b> | <b>85</b>    | <b>1 030</b> |
| Operating expenses  | 14   | (29)                        | (37)       | (36)         | (33)         |
| <b>(Loss)/income from operations</b>                          |      | <b>(419)</b>                | <b>629</b> | <b>49</b>    | <b>997</b>   |
| Income tax expense  | 15   | (21)                        | (18)       | (1)          | (3)          |
| <b>(Loss)/profit from operations</b>                          |      | <b>(440)</b>                | <b>611</b> | <b>48</b>    | <b>994</b>   |
| <b>(Loss)/profit attributable to:</b>                         |      |                             |            |              |              |
| Ordinary equity holders of the company                        |      | (440)                       | 611        | 48           | 994          |
| <b>(Loss)/profit for the year</b>                             |      | <b>(440)</b>                | <b>611</b> | <b>48</b>    | <b>994</b>   |
| <b>(Loss)/earnings per share (cents)</b>                      |      |                             |            |              |              |
| – Basic   | 16   | (31.9)                      | 43.9       |              |              |
| – Diluted   | 16   | (31.9)                      | 43.9       |              |              |

| R million   | CONSOLIDATED                |              | COMPANY   |            |
|---|-----------------------------|--------------|-----------|------------|
|   | For the year ended 31 March |              |           |            |
|   | 2023                        | 2022         | 2023      | 2022       |
| <b>(Loss)/profit for the year</b>   | <b>(440)</b>                | <b>611</b>   | <b>48</b> | <b>994</b> |
| <b>Other comprehensive loss after tax</b>   |                             |              |           |            |
| <b>Items that may subsequently be reclassified to profit or loss</b>                    |                             |              |           |            |
| Share of other comprehensive profit of associate after tax and non-controlling interest | –                           | 1            | –         | –          |
| Exchange difference on translating foreign operations                                   | 140                         | (204)        | –         | –          |
| Reclassification of accumulated comprehensive income of Atterbury Europe                | (166)                       | –            | –         | –          |
| <b>Other comprehensive loss for the year</b>  | <b>(26)</b>                 | <b>(203)</b> | <b>–</b>  | <b>–</b>   |
| <b>Total comprehensive (loss)/income for the year</b>                                   | <b>(466)</b>                | <b>408</b>   | <b>48</b> | <b>994</b> |
| <b>Total comprehensive (loss)/income attributable to:</b>                               |                             |              |           |            |
| Ordinary equity holders of the company  | (466)                       | 408          | 48        | 994        |
| <b>Total comprehensive (loss)/income for the year</b>                                   | <b>(466)</b>                | <b>408</b>   | <b>48</b> | <b>994</b> |

## Consolidated statement of changes in equity

### CONSOLIDATED

| R million                                    | Share capital and premium | Equity-accounted reserves | Foreign currency translation reserve | Other reserves | Retained earnings | Equity of ordinary equity holders |
|--|---------------------------|---------------------------|--------------------------------------|----------------|-------------------|-----------------------------------|
| <b>Balance as at 1 April 2021</b>            | 8 825                     | 1 301                     | 230                                  | (18)           | (5 716)           | 4 622                             |
| Total comprehensive income/(loss)            | –                         | 1                         | (204)                                | –              | 611               | 408                               |
| Special dividend paid                        | –                         | –                         | –                                    | –              | (1 129)           | (1 129)                           |
| Special dividend received on treasury shares | –                         | –                         | –                                    | –              | 16                | 16                                |
| Income of associate retained                 | –                         | (41)                      | –                                    | –              | 41                | –                                 |
| Share option expense – IFRS 2                | –                         | –                         | –                                    | 6              | –                 | 6                                 |
| Reserve movements relating to associates     | –                         | 466                       | –                                    | –              | (473)             | (7)                               |
| Movement in treasury shares                  | –                         | –                         | –                                    | (6)            | –                 | (6)                               |
| <b>Balance as at 31 March 2022</b>           | 8 825                     | 1 727                     | 26                                   | (18)           | (6 650)           | 3 910                             |
| <b>Balance as at 1 April 2022</b>            | <b>8 825</b>              | <b>1 727</b>              | <b>26</b>                            | <b>(18)</b>    | <b>(6 650)</b>    | <b>3 910</b>                      |
| Total comprehensive loss                     | –                         | –                         | (26)                                 | –              | (440)             | (466)                             |
| Special dividend paid                        | (251)                     | –                         | –                                    | –              | (1 723)           | (1 974)                           |
| Special dividend received on treasury shares | –                         | –                         | –                                    | –              | 18                | 18                                |
| Income of associate released                 | –                         | (1 591)                   | –                                    | –              | 1 591             | –                                 |
| Share option expense – IFRS 2                | –                         | –                         | –                                    | 3              | –                 | 3                                 |
| Reserve movements relating to associates     | –                         | 24                        | –                                    | –              | (24)              | –                                 |
| Movement in treasury shares                  | –                         | –                         | –                                    | (67)           | (8)               | (75)                              |
| <b>Balance as at 31 March 2023</b>           | <b>8 574</b>              | <b>160</b>                | <b>–</b>                             | <b>(82)</b>    | <b>(7 236)</b>    | <b>1 416</b>                      |
| Note   | 6                         | 7                         | 7                                    | 7              | 7                 |                                   |

## Separate statement of changes in equity

### COMPANY

| R million                                    | Share capital | Share premium | Other reserves | Retained earnings | Equity of ordinary equity holders |
|--|---------------|---------------|----------------|-------------------|-----------------------------------|
| <b>Balance as at 1 April 2021</b>            | 14            | 8 811         | (27)           | (5 485)           | 3 313                             |
| Total comprehensive income                   | –             | –             | –              | 994               | 994                               |
| Special dividend paid                        | –             | –             | –              | (1 129)           | (1 129)                           |
| Special dividend received on treasury shares | –             | –             | –              | 16                | 16                                |
| Share option expense – IFRS 2                | –             | –             | 1              | –                 | 1                                 |
| Movement in treasury shares                  | –             | –             | (6)            | –                 | (6)                               |
| <b>Balance as at 31 March 2022</b>           | 14            | 8 811         | (32)           | (5 604)           | 3 189                             |
| <b>Balance as at 1 April 2022</b>            | <b>14</b>     | <b>8 811</b>  | <b>(32)</b>    | <b>(5 604)</b>    | <b>3 189</b>                      |
| Total comprehensive income                   | –             | –             | –              | 48                | 48                                |
| Special dividend paid                        | –             | (251)         | –              | (1 723)           | (1 974)                           |
| Special dividend received on treasury shares | –             | –             | –              | 18                | 18                                |
| Share option expense – IFRS 2                | –             | –             | 15             | –                 | 15                                |
| Movement in treasury shares                  | –             | –             | (67)           | (8)               | (75)                              |
| <b>Balance as at 31 March 2023</b>           | <b>14</b>     | <b>8 560</b>  | <b>(84)</b>    | <b>(7 269)</b>    | <b>1 221</b>                      |
| Note   | 6             | 6             | 7              | 7                 |                                   |

## Consolidated and separate statements of cash flows

| R million   | Note | CONSOLIDATED                |                | COMPANY        |                |
|---|------|-----------------------------|----------------|----------------|----------------|
|   |      | For the year ended 31 March |                |                |                |
|   |      | 2023                        | 2022           | 2023           | 2022           |
| <b>Cash flow from operating activities</b>                        |      |                             |                |                |                |
| Cash (invested in)/generated from operations                      | 25.1 | (3)                         | 24             | (45)           | (15)           |
| Interest received   |      | 16                          | 4              | 6              | 3              |
| Income tax paid   |      | (23)                        | (8)            | (3)            | (3)            |
| Liquidation costs paid  |      | –                           | (27)           | –              | –              |
| Dividends received  |      | –                           | –              | 2 033          | 1 025          |
| <b>Net cash (invested in)/generated from operating activities</b> |      | <b>(10)</b>                 | <b>(7)</b>     | <b>1 991</b>   | <b>1 010</b>   |
| <b>Cash flow from investing activities</b>                        |      |                             |                |                |                |
| Loans repaid by associates  |      | –                           | 19             | –              | –              |
| Loans granted to associates                                       |      | (27)                        | –              | –              | –              |
| Additional subscription in Divercity (refer to note 4)            |      | –                           | (6)            | –              | –              |
| Loan to Atterbury Europe sold                                     |      | 25                          | –              | –              | –              |
| Additions to investment securities                                |      | (1 815)                     | (984)          | –              | –              |
| Disposal of investment securities                                 |      | 2 096                       | 1 164          | –              | –              |
| Proceeds on disposal of Atterbury Europe                          |      | 1 725                       | –              | –              | –              |
| Proceeds on disposal of Atterbury Mauritius Limited               |      | –                           | 29             | –              | –              |
| <b>Net cash inflow from investment activities</b>                 |      | <b>2 004</b>                | <b>222</b>     | <b>–</b>       | <b>–</b>       |
| <b>Cash flow from financing activities</b>                        |      |                             |                |                |                |
| Treasury shares bought  |      | (20)                        | (6)            | (20)           | (6)            |
| Funding repaid by RMH   |      | –                           | –              | –              | (405)          |
| Special dividend received on treasury shares                      |      | 18                          | 16             | 18             | 16             |
| Special dividend paid to equity holders as a return of capital    |      | (251)                       | –              | (251)          | –              |
| Special dividend paid to equity holders                           |      | (1 723)                     | (1 129)        | (1 723)        | (1 129)        |
| <b>Net cash outflow to financing activities</b>                   |      | <b>(1 976)</b>              | <b>(1 119)</b> | <b>(1 976)</b> | <b>(1 524)</b> |
| <b>Net increase/(decrease) in cash and cash equivalents</b>       |      | <b>18</b>                   | <b>(904)</b>   | <b>15</b>      | <b>(514)</b>   |
| Cash and cash equivalents at the beginning of the year            |      | 76                          | 980            | 65             | 579            |
| <b>Cash and cash equivalents at the end of the year</b>           |      | <b>94</b>                   | <b>76</b>      | <b>80</b>      | <b>65</b>      |

## Accounting policies

The following accounting policies were adopted in preparing the consolidated and separate financial statements. The policies have been consistently applied to all the periods presented. The consolidated and separate financial statements include the results of the company and its subsidiaries.

The following amendments were applicable from 1 January 2022:

| Title   | Effective date* |
|---|-----------------|
| Amendments to IAS 16<br>Property, Plant and Equipment –<br>Proceeds before Intended Use   | 1 January 2022  |
| Annual Improvements to IFRS Standards<br>2018-2020 Cycle (May 2020)<br>Annual improvement to IFRS Standards<br>2018-2020 (May 2020) | 1 January 2022  |
| Amendments to IFRS 3<br>Reference to the Conceptual Framework   | 1 January 2022  |
| Amendments to IAS 37<br>Onerous Contracts – Cost of Fulfilling<br>a Contract  | 1 January 2022  |

\* Applicable to reporting periods commencing on or after the given date.


None of the new or amended IFRS which became effective for the year ended 31 March 2023 had a significant impact on the group's reported earnings, financial position or reserves, or the accounting policies.

No other new or amended IFRS become effective for the year ended 31 March 2023 that impacted the group's reported earnings, financial position or reserves, or the accounting policies.

### a. Basis of preparation

RMH's consolidated and separate annual financial statements are prepared in accordance with IFRS and interpretations issued by the IFRS Interpretations Committee (IFRIC), the requirements of the Companies Act, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, SAICA Financial Reporting Guide as issued by the Accounting Practices Committee and the Listings Requirements of the JSE Limited.

The annual financial statements are prepared on a going concern basis. The preparation of the annual financial statements in conformity with IFRS necessitates the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. Although estimates are based on management's best knowledge and judgements of current facts as at the reporting date, the actual outcome may differ from those estimates.

 The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated annual financial statements, are outlined in accounting policy note p and note 21 to the annual financial statements.

RMH made the following accounting elections in terms of IFRS, with reference to the detailed accounting policy:

- Regular way purchases or sales of financial assets are recognised and derecognised using trade date accounting; and
- Investments in subsidiaries and associates are carried at cost in the separate annual financial statements.

RMH has adopted net asset value per share as a benchmark for trading statement purposes as permitted in terms of paragraph 3.4(b)(vi) of the JSE Listings Requirements. The appropriateness of this benchmark needs to be confirmed annually and is hereby confirmed.

### b. Foreign currency translation Functional and presentation currency

|  |   |
|--|---|
| <b>Functional currency</b>                         | Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates |
| <b>Functional and presentation currency of RMH</b> | South African Rand  |
| <b>Amounts</b>                                     | All amounts are stated in millions of Rand (R million), unless otherwise indicated  |

The exchange rates used for the year were as follows:

|                         | For the year ended<br>31 March |       |          |
|-------------------------|--------------------------------|-------|----------|
| Rand/Euro               | 2023                           | 2022  | % change |
| Average rate            | 16.78                          | 17.25 | (3)      |
| Closing rate            | 16.83                          | 15.84 | 6        |
| Rand/Mauritian<br>Rupee |                                |       |          |
| Closing rate            | 2.55                           | –     |          |

### Group companies

Assets and liabilities of the group's foreign operations whose functional currency is different to the presentation currency are translated from their respective functional currency into the group's presentation currency at closing rates ruling at the statement of financial position date.

The income and expenditure and equity movements are translated into the group's presentation currency at rates approximating the foreign exchange rates ruling at the date of the various transactions. All resulting translation differences arising from the consolidation and translation of foreign operations are recognised in other comprehensive income and accumulated in equity as a foreign currency translation reserve.

When a foreign operation is partially disposed of or sold, the cumulative amount of the exchange differences in the foreign currency translation reserve relating to that foreign operation is reclassified from the reserve to profit or loss when the gain or loss on disposal is recognised.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.



### c. Principles of consolidation and equity accounting

| TYPE                                     | MEASUREMENT   |
|--|---|
| <p><b>Subsidiaries</b></p>               | <p>Subsidiaries are defined as entities that are controlled by the group. For control to exist, the group must have:</p> <ul style="list-style-type: none"> <li>■ power over the investee;</li> <li>■ exposure or rights to variable returns from involvement with the investee; and</li> <li>■ the ability to use power over the investee to affect the amount of the group's returns. The group must possess all three elements to conclude that it controls an investee.</li> </ul> <p>Subsidiaries are consolidated from the date on which control is transferred to the group (effective date of acquisition) and are no longer consolidated from the date that control ceases (effective date of disposal). Gains and losses on disposal of subsidiaries are included in profit or loss. The accounting policies for subsidiaries are consistent, in all material respects, with the policies adopted by the group.</p> <p>Intergroup transactions, balances and unrealised gains and losses are eliminated on consolidation.</p> <p>Interests in subsidiary companies in the separate annual financial statements comprise shares, which are measured at cost less any required impairment. Acquisition costs are recorded as an expense in the period in which they are incurred and the carrying amounts of these investments are reviewed annually for impairment.</p>  |
| <p><b>Interest in associates</b></p>     | <p>An associate is an entity over which the group can exercise significant influence, but not control or joint control, through participation in the financial and operating policy decisions of the investment.</p> <p>Judgement is applied in assessing which entities the group can significantly influence. In the case of voting rights, it is generally demonstrated by the group holding 20% or more of the voting power of the investee.</p> <p>Investments in associates are subsequently equity accounted. The group's share of post-acquisition profit or loss is recognised in the statement of profit or loss and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income, with a corresponding adjustment to the carrying amount of the investment. Other equity movements are assessed based on the substance of the transaction and accounted for accordingly, with a corresponding adjustment to the carrying amount of the investment. Equity-accounted earnings, net of dividends received, are transferred to equity-accounted reserves.</p> <p>Unrealised gains on transactions are eliminated to the extent of the group's interest in the entity. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the transferred asset.</p> <p>Certain equity-accounted investments have year-ends that differ from that of RMH. In certain circumstances, the management accounts of the equity-accounted investments as at RMH's reporting date are used in equity accounting. For equity-accounted investments with year-ends within the permitted three months of RMH's year-end, the latest audited financial statements are used with adjustments for material subsequent events.</p> |
| <p><b>Interest in joint ventures</b></p> | <p>A joint arrangement is one in which RMH and the other contracting parties have joint control, as defined in <i>IFRS 11</i>.</p> <p>Joint ventures are those joint arrangements where the group has rights to the net assets of the arrangement.</p> <p>Joint ventures are initially recognised at cost (including goodwill) and subsequently equity accounted in the same way as interests in associates. Refer to the above.</p>  |
| <p><b>Change in ownership</b></p>        | <p>The group treats transactions with non-controlling interests that do not result in the loss of control as transactions with equity owners.</p> <p>If the ownership interest in an associate changes but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss.</p>   |

ACCOUNTING POLICIES continued

## d. Related party transactions


Considering the definition of related parties in IAS 24: Related party disclosure, the related parties of RMH have been identified as follows:

### Principal shareholders


Details of major shareholders are disclosed in the directors' report. The principal shareholder is Royal Bafokeng Holdings Proprietary Limited.

### Key management personnel


Key management personnel are the RMH board of directors.

 Information on directors' emoluments and their shareholdings in the company appear in note 24 to the annual financial statements and the directors' report respectively.


### Associates

 Details of the investments in associates are disclosed in note 4 to the annual financial statements.

### Joint ventures


 Details of the investments in joint ventures are disclosed in note 4 to the annual financial statements.

### Subsidiaries

 Details of the investments in subsidiaries are disclosed in note 5 to the annual financial statements.

## e. Revenue

Revenue consists of interest income, dividends received and income from associates and joint ventures.

| TYPE                                      | MEASUREMENT   |
|---|---|
| Interest                                  | Interest is recognised on an effective interest rate method (taking into account the principal outstanding, the effective rate and the period). |
| Dividend income                           | Dividend income is recognised when there is an irrevocable right to the dividend.   |
| Income from associates and joint ventures |  Refer to accounting policy note c.                          |

## f. Income tax expense

The income tax expense includes both current and deferred tax. Income taxes include South African corporate taxation payable, as well as capital gains tax.

### Current tax

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, based on amounts expected to be paid to the tax authorities.

## Deferred tax

### Recognition

Deferred tax is recognised on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the annual financial statements.

### Measurement

Deferred tax is measured using the liability method in terms of IAS 12 and applying tax rates and laws that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax on temporary differences is measured based on the tax base of assets and liabilities and their carrying amounts in the annual financial statements.

## g. Recognition of contingent liabilities

### Contingent liabilities

The group discloses a contingent liability where:

- It has a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group; or
- It is not probable that an outflow of resources will be required to settle an obligation; or
- The amount of the obligation cannot be measured with sufficient reliability.

## h. Financial instruments

### Financial assets

Financial assets include:

- Cash and cash equivalents;
- Loans;
- Receivables; and
- Investment securities.

### Classification

The group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- Those to be measured at amortised cost.

The classification depends on the group's business model for managing the financial assets and the contractual terms of the cash flow.

### Initial recognition and measurement

Financial instruments are initially recognised at fair value, including transaction costs, when the group becomes a party to the contractual terms of the instruments. The transaction costs relating to the acquisition of financial instruments held at fair value through profit or loss are expensed.

ACCOUNTING POLICIES continued

**Subsequent measurement**

| CATEGORY  | MEASUREMENT  |
|---|--|
| <p><b>Financial assets at fair value through profit or loss</b></p> <ul style="list-style-type: none"> <li>■ Investment securities</li> <li>■ Loans to associates</li> </ul>      | <p>Realised and unrealised gains and losses arising from changes in the fair value of these financial instruments are recognised in profit or loss in the period in which they arise.</p> <p>Unit trusts have been classified as fair value through profit or loss.</p> <p>Shares in unlisted entities have been classified as fair value through profit or loss.</p>  |
| <p><b>Financial assets at amortised cost</b></p> <ul style="list-style-type: none"> <li>■ Receivables</li> <li>■ Loans to associates</li> <li>■ Inter-company balances</li> </ul> | <p>Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in revenue using the effective interest rate method.</p> <p>Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in the statement of profit or loss.</p> <p>Intergroup balances with subsidiaries are measured at amortised cost. These are subject to the expected credit loss impairment model.</p> |

**Derecognition**

Financial assets are derecognised when the contractual rights to receive cash flows from the investments have expired or on trade date, when they have been transferred and the group has also transferred substantially all risks and rewards of ownership.

**Financial liabilities**

Financial liabilities include:

- Trade and other payables; and
- Financial guarantee contracts.

**Subsequent measurement**

| CATEGORY  | MEASUREMENT   |
|---|---|
| <p><b>Financial liabilities</b></p> <ul style="list-style-type: none"> <li>■ Trade and other payables</li> <li>■ Financial guarantee contracts</li> <li>■ Inter-group payables</li> </ul> | <p>The group initially recognises financial liabilities at the fair value of the considerations received. Financial liabilities are subsequently measured at amortised cost using the effective interest method.</p> <p>Financial guarantee contracts are recognised as financial liabilities at the time the guarantees are issued. The liability is initially measured at fair value and subsequently at the higher of:</p> <ul style="list-style-type: none"> <li>■ the amount determined in accordance with the expected credit loss model in terms of <i>IFRS 9</i>; and</li> <li>■ the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of <i>IFRS 15</i>.</li> </ul> <p>The fair values of financial guarantees are determined based on the present value of the difference in cash flows between the contractual payments required per the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.</p> <p>Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.</p> |

**Derecognition**

Financial liabilities (or portions thereof) are derecognised when the obligation specified in the contract is discharged or cancelled or has expired. On derecognition, the difference between the carrying amount of the financial liability, including related unamortised costs, and the amount paid for it, is included in profit or loss.

**Reclassification**

A financial liability may not be reclassified.

ACCOUNTING POLICIES continued

**i. Impairment of assets**

| FINANCIAL ASSET                                     | MEASUREMENT   |
|---|---|
| <b>IFRS 9</b>                                       | <p>The group assesses, on a forward-looking basis, the expected credit losses (ECL) associated with its debt financial asset carried at amortised cost.</p> <p>The impairment methodology applied depends on whether there has been a significant increase in credit risk at the reporting date which includes forward-looking information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. Forward-looking information used includes budgets, cash flow forecasts, observable changes in the business environment and the economy, current and past operating results and significant changes in the behaviour of counterparties.</p> <p>RMH applies the simplified approach to measuring expected credit losses for trade receivables. Trade receivables which are 120 days past due are written off.</p> <p>RMH uses the staged approach as recommended:</p> <ul style="list-style-type: none"> <li>■ Stage 1: for performing assets: the expected loss for the next 12 months and this is extrapolated for the contractual life of the instrument to determine the expected loss;</li> <li>■ Stage 2: the expected loss is measured at the lifetime expected loss, the loan is doubtful but not credit impaired; and</li> <li>■ Stage 3: the lifetime expected loss, the loan is in default and credit impaired.</li> </ul> <p>Stage 2 is reached when repayments are 30 days past due contractual terms and Stage 3 is reached when repayments are 90 days past due contractual terms.</p> <p>Loans for which an expected credit loss allowance was recognised are written off against the provision when there is no expectation of recovering additional cash.</p> <p>ECLs are recognised as a deduction from the gross carrying amount of the asset. Therefore, assets subject to ECLs are disclosed on a net basis in the statement of financial position.</p> <p>For a financial guarantee contract, as the group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is equal to the sum of the expected payments to reimburse the holder for a credit loss that it incurs, less any amounts that the group expects to receive from the holder, the debtor or any other party.</p> |
| OTHER ASSET   | MEASUREMENT   |
| <b>Investments in associates and joint ventures</b> | <p>Investments in associates and joint ventures are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the investment in associates and joint ventures fair value less costs of disposal and the value-in-use. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.</p>   |

**j. Share capital**

**Ordinary share capital**

Ordinary shares are classified as equity.

**Share issue costs**

Instruments issued by the group are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs, directly related to the issue of new shares or options are shown as a deduction from equity, net of any related tax benefit.

**Dividends paid**

Dividends paid on ordinary shares are recognised against equity in the period in which they are paid. Dividends declared and paid after the reporting date are not recognised but disclosed as an event subsequent to the reporting date.

**Treasury shares**

Where the company or other entities within the group repurchase the company's equity share capital, unrealised gains and losses on transactions are eliminated to the extent of the group's interest in the entity. These shares are treated as a deduction from the issued number of shares and taken into account in the calculation of the weighted average number of shares.

**k. Provisions**

Provisions are recognised when the group has a known present legal or constructive obligation of uncertain timing or amount, as a result of past events and it is probable that an outflow of the group resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Judgement is applied as to the quantum and timing of these resources, considering all available information. Provisions are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

ACCOUNTING POLICIES continued

## I. Segmental reporting

An operating segment is a component of the group that engages in business activities from which the group may earn revenues and incur expenses. An operating segment is also a component of the group whose operating results are regularly reviewed by the chief operating decision-maker in allocating resources, assessing its performance and for which discrete financial information is available.

The chief operating decision-maker has been identified as the CEO of RMH. The group's identification and measurement of operating segments is consistent with the internal reporting provided to the CEO. The operating segments have been identified and classified in a manner that reflects the risks and rewards related to the segment operating in a specific geographic segment.


## m. Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents comprise:

- Money at call and short notice.

All balances included in cash and cash equivalents have a maturity date of less than three months from the date of acquisition.

Bank balances for which the use by the group is subject to third-party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meet the definition of cash.


 Contractual restrictions affecting the use of bank balances are disclosed in note 1 to the annual financial statements.

## n. Earnings per share

### Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the period and excluding treasury shares.

 Refer to note 16 to the annual financial statements.

### Diluted earnings per share

RMH does not have any dilutive potential ordinary shares. Therefore, there is no difference between basic and diluted earnings per share.

## o. Share-based payments

### Cash-settled

RMH has issued share appreciation rights to RMH executives in terms of the RMH share appreciation right scheme as a share-based payment structure. The fair value of the share appreciation rights is determined at the end of each financial period. This results in the recognition of a share-based payment liability with a corresponding expense recognised in profit or loss.


RMH has entered into an ownership-participation structure with the management of RMH Property, a subsidiary of RMH, as well as some individuals who are not employees of RMH but historically provided management services to RMH.

The ownership-participation structure qualifies as a share-based payment structure. The fair value of the ownership-participation structure is determined at the end of each financial period. This results in the recognition of a share-based payment liability with a corresponding expense recognised in profit or loss.

### Equity-settled

RMH extended a loan to Brian Roberts to subscribe for ordinary shares in RMH Property. The shares are collateral for the loan and therefore the arrangement qualifies as an equity-settled share-based arrangement. This results in the recognition of a share-based payment reserve with a corresponding expense recognised in profit or loss.


RMH has issued forfeitable shares to executives in terms of the RMH forfeitable share plan. The fair value of the forfeitable shares is determined at the grant date. The RMH shares are bought in and kept in a restrictive account on behalf of participants and therefore the arrangement qualifies as an equity-settled share-based arrangement. This results in the recognition of a share-based payment reserve with a corresponding expense recognised in profit or loss.

 Refer to note 23 to the annual financial statements.


## p. Key judgements in applying accounting policies and options elected, where permitted by IFRS

RMH made the following key judgements in applying accounting policies:


- Applying equity accounting where the investment percentage held is less than 20%. The investment in Integer Properties 1 Proprietary Limited (Integer 1) forms part of a group of companies. The level of influence over the management of relevant activities of Integer 1 is the same as for Integer Properties 2 Proprietary Limited (Integer 2). Significant influence is therefore not dependent on the ownership percentage but on the management of the investments;
- An impairment loss in an investment in an associate is recognised by comparing the carrying value to the recoverable amount. In assessing the recoverable amount one takes into account the impact of factors not necessarily under the control of management. One considers how these factors were considered by the management in preparation of the underlying financial results.

 Further detail is provided in note 4 to the annual financial statements.

- In making the judgement regarding the impairment of financial assets, RMH evaluates factors such as, *inter alia*, evidence of a deterioration in the financial health of the issuer, industry and sector performance;
- The achievement of performance objectives in determining the share-based payment liability and reserve; and

 Further detail is provided in note 23 to the annual financial statements.

- Valuation of Level 3 fair value instruments uses valuation techniques with significant unobservable data.

 Further detail is provided in note 21 to the annual financial statements.

ACCOUNTING POLICIES continued

### q. Going concern

The directors have, at the time of approving the annual financial statements, a reasonable expectation that RMH has adequate resources to continue in operational existence for the foreseeable future. Therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### r. Standards, interpretations and amendments not yet effective

Certain new accounting standards and interpretations have been published but are not mandatory for the 31 March 2023 reporting period and have not been early adopted by RMH. These standards are not expected to have a material impact on RMH in the current or future reporting periods and on foreseeable future transactions.

The following new standards and amendments and any potential material impact were considered:

| Title   | Effective date* | Impact  |
|---|-----------------|---|
| <b>IFRS 17 (including the June 2020 amendments to IFRS 17)</b><br><b>Insurance Contracts</b>                              | 1 January 2023  | No immediate impact as RMH has not provided any insurance contracts.  |
| <b>Amendments to IAS 1</b><br><b>Classification of Liabilities as Current or Non-current – Deferral of Effective Date</b> | 1 January 2023  | No immediate impact.  |
| <b>Amendments to IAS 1 and IFRS Practice Statement 2</b><br><b>Disclosure of Accounting Policies</b>                      | 1 January 2023  | RMH is in the process of reviewing its accounting policy and the change from significant accounting policies to material accounting policies. From the initial assessment, no material change is anticipated. |
| <b>Amendments to IFRS 4</b><br><b>Extension of the Temporary Exemption from Applying IFRS 9</b>                           | 1 January 2023  | No immediate impact, RMH has been applying IFRS 9.  |
| <b>Amendments to IAS 12</b><br><b>International Tax Reform-Pillar Two Model Rules</b>                                     | 1 January 2023  | No immediate impact as RMH does not have any deferred tax assets and liabilities relating to OECD pillar two income taxes.  |
| <b>Amendments to IAS 16</b><br><b>Lease Liability in a Sale and Leaseback</b>   | 1 January 2024  | No immediate impact as RMH does not engage in sale and leaseback transactions.  |
| <b>Amendments to IAS 7 and IFRS 17</b><br><b>Supplier Finance Arrangements</b>  | 1 January 2024  | No immediate impact as RMH does not engage in supplier finance arrangements.  |
| <b>Amendments to IAS 1</b><br><b>Non-current Liabilities with covenants</b>   | 1 January 2024  | No immediate impact as RMH does not have any non-current liabilities with covenants.  |

\* Applicable to reporting periods commencing on or after the given date.

## Notes to the annual financial statements

### 1 Cash and cash equivalents

|                          | CONSOLIDATED   |      | COMPANY |      |
|--------------------------|----------------|------|---------|------|
|                          | As at 31 March |      |         |      |
| R million                | 2023           | 2022 | 2023    | 2022 |
| Cash at bank and on hand | 94             | 76   | 80      | 65   |

The carrying value of cash at bank and on hand approximates the fair value.

Cash at bank and on hand includes R46 million (2022: R46 million) kept in a demand deposit account with Nedbank Limited. It is restricted until such time that the post-redemption liability for the previous funding arrangement provided by Nedbank Limited which was settled in 2020 expires. The expiry dates are 31 December 2023 for the first R24 million and 31 December 2024 for the balance of R22 million, respectively.

### 2 Investment securities

|   | CONSOLIDATED   |              | COMPANY  |          |
|---|----------------|--------------|----------|----------|
|   | As at 31 March |              |          |          |
| R million   | 2023           | 2022         | 2023     | 2022     |
| <b>Current</b>  | -              | -            | -        | -        |
| <b>Listed</b>   |                |              |          |          |
| Unit trust at fair value through profit or loss <sup>1</sup>            | 647            | 922          | -        | -        |
| <b>Non-current</b>  |                |              |          |          |
| <b>Unlisted</b>   |                |              |          |          |
| Diversity: investment at fair value through profit or loss <sup>2</sup> | 97             | 111          | -        | -        |
| Redeemable preference shares <sup>3</sup>                               | 28             | -            | -        | -        |
| <b>Investment securities</b>  | <b>772</b>     | <b>1 033</b> | <b>-</b> | <b>-</b> |
| <b>Reconciliation of movement in investment securities</b>              |                |              |          |          |
| Opening balance   | 1 033          | 1 101        | -        | -        |
| Additions   | 1 856          | 945          | -        | -        |
| Diversity investment  | -              | 118          | -        | -        |
| Fair value increase   | 52             | 39           | -        | -        |
| Fair value decrease   | (19)           | (6)          | -        | -        |
| Withdrawals from investment securities                                  | (2 150)        | (1 164)      | -        | -        |
| <b>Investment securities</b>  | <b>772</b>     | <b>1 033</b> | <b>-</b> | <b>-</b> |

<sup>1</sup> Listed investment securities consist of units held in the Ashburton Money Market Fund, JSE code: ASMBB1.

<sup>2</sup> 153 614 183 (2022: 153 614 183) ordinary shares held in Divercity Urban Property Fund Proprietary Limited.

<sup>3</sup> On 1 August 2022, Atterbury Property Proprietary Limited issued 4 092 546 B Ascencia-linked preference shares. Of these, 793 045 shares were redeemed during the year. Ascencia Limited is listed on the Mauritian Stock Exchange, with share code ASCE.N0000.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

### 3 Loans and receivables

| R million   | CONSOLIDATED   |            | COMPANY  |          |
|---|----------------|------------|----------|----------|
|   | As at 31 March |            |          |          |
|   | 2023           | 2022       | 2023     | 2022     |
| <b>Current</b>  | <b>5</b>       | <b>1</b>   | <b>4</b> | <b>1</b> |
| Accounts receivable at amortised cost <sup>1</sup>            | 5              | 1          | 2        | 1        |
| Intergroup accounts receivable at amortised cost <sup>2</sup> | –              | –          | 2        | –        |
| <b>Non-current</b>  | <b>204</b>     | <b>186</b> | <b>–</b> | <b>–</b> |
| Loan to associate company at fair value                       | –              | 23         | –        | –        |
| Loans to joint ventures                                       | 204            | 163        | –        | –        |
| <b>Net loans and receivables</b>                              | <b>209</b>     | <b>187</b> | <b>4</b> | <b>1</b> |

1 The group applies the simplified approach to providing for ECLs as prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The ECLs on receivables were immaterial.

2 RMH provided RMB Asset Holding Company Proprietary Limited with interim funding to pay provisional tax due. The amount was repaid on 6 April 2023.

#### Details of loans to associates

| R million  |   | CONSOLIDATED   |           |
|--|---|----------------|-----------|
|  |   | As at 31 March |           |
| Description  | Terms   | 2023           | 2022      |
| Euro 1.5 million (2022: Euro 1.5 million) operational loan extended to Atterbury Europe as a condition to the subscription by Pareto Limited in July 2018. The loan was disposed of on 7 September 2022. | Earns interest at 5% and is repayable one year after the Pareto subscription loan is repaid. The Pareto subscription loan will not be repaid in the next 12 months. | –              | 23        |
| <b>Net loans to associates carried at fair value</b>   |   | <b>–</b>       | <b>23</b> |



NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

### 3 Loans and receivables continued

#### Details of loans to joint ventures

R million

CONSOLIDATED

| Description  | Terms   | Gross      | ECL        | As at 31 March |            |
|--|---|------------|------------|----------------|------------|
|  |   |            |            | 2023           | 2022       |
| An R80 million shareholders' loan was extended to Integer Properties 3 Proprietary Limited when the initial investment was made. | The loan is interest-free. The loan has no fixed repayment date and will only be settled once all other debt due by Integer Properties 3 Proprietary Limited has been settled. This is not anticipated to occur in the next 12 months. The loan is currently included in stage 1 and the ECL determined as the portion that would not be recovered if net asset value was realised.   | 74         | (3)        | 71             | 74         |
| A further R100 million was extended to Integer Properties 3 Proprietary Limited.   | The loan bears interest at the prime lending rate plus 5% and is repayable in May 2023. Should Integer Properties 3 Proprietary Limited not be able to settle the loan, the loan carries a conversion right into ordinary shares. On 17 May 2023, RMH gave notice that the loan will not be converted to equity. The loan is now repayable on 17 November 2023. Should Integer Properties 3 Proprietary Limited not be in the position to repay the loan the interest rate will be increased to the prime lending rate plus 10%. The loan will be repaid as underlying properties are sold and have no fixed repayment date. The amended terms were agreed at the RMH March 2023 board meeting. The loan is included in Stage 1 and the 12-month expected credit loss is immaterial. Refer to note 20, subsequent events. | 133        | –          | 133            | 89         |
| <b>Net loans to joint ventures carried at amortised cost</b>   |   | <b>207</b> | <b>(3)</b> | <b>204</b>     | <b>163</b> |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

#### 4 Investment in associates and joint ventures

| R million  | CONSOLIDATED   |              |
|--|----------------|--------------|
|  | As at 31 March |              |
|  | 2023           | 2022         |
| <b>Analysis of the movement in the carrying value of associates and joint ventures</b> |                |              |
| Opening carrying value   | 2 683          | 2 392        |
| Cost of subscription in Divercity <sup>1</sup>   | –              | 6            |
| Share of after-tax profits of associates and joint ventures                            | 126            | 624          |
| Loss on dilution of investment in Divercity <sup>1</sup>                               | –              | (11)         |
| Dividend <i>in specie</i> received   | (41)           | –            |
| Other comprehensive income   | –              | 1            |
| Share of other reserves  | –              | (7)          |
| Foreign currency translation   | 140            | (204)        |
| Carrying value of Atterbury Europe <sup>2</sup>  | (2 460)        | –            |
| Less amount transferred to investment securities <sup>1</sup> (refer to note 2)        | –              | (118)        |
| <b>Total carrying values of associates and joint ventures</b>                          | <b>448</b>     | <b>2 683</b> |

- On 18 June 2021, CDC Group PLC (now British International Investment PLC) subscribed for 39.5% of Divercity. Current shareholders had to proportionately subscribe for an additional R30 million of ordinary shares. Following the subscription, RMH's interest diluted to 11.4% (previously disclosed as 10.9%). The investment was equity accounted for practical purposes to 30 June 2021 and thereafter treated as a fair value asset through profit or loss (refer to note 2).
- On 7 September 2022, RMH, through its subsidiary RMH Property Holdco 2 Proprietary Limited, disposed of its 37.5% stake in the total issued A ordinary shares in Atterbury Europe to Brightbridge Real Estate Limited. The investment was equity accounted for practical purposes to 31 August 2022. The total purchased consideration was R1.75 billion. This, however, included the settlement of the working capital loan provided to Atterbury Europe of R25 million (refer to note 3).

| R million   | CONSOLIDATED   |              |
|---|----------------|--------------|
|   | As at 31 March |              |
|   | 2023           | 2022         |
| <b>Carrying values of associates and joint ventures</b>       |                |              |
| <b>Unlisted</b>   |                |              |
| Atterbury Property Holdings Proprietary Limited               | 448            | 434          |
| Atterbury Europe Holding B.V.                                 | –              | 2 239        |
| Integer Properties 1 Proprietary Limited                      | –              | 10           |
| <b>Total carrying values of associates and joint ventures</b> | <b>448</b>     | <b>2 683</b> |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

#### 4 Investment in associates and joint ventures continued

##### *Detail of associates and joint ventures continued*

The group's interests in its associates and joint ventures are as follows:

|   | Number of shares  |            | Percentage held |       |
|---|---|------------|-----------------|-------|
|   | As at 31 March  |            |                 |       |
|   | 2023  | 2022       | 2023            | 2022  |
| <b>Unlisted associates</b>                                    |   |            |                 |       |
| <b>Atterbury Property Holdings Proprietary Limited</b>        | <b>28 448 276</b>   | 28 448 276 |                 |       |
| % of ownership  |   |            | <b>27.50</b>    | 27.50 |
| % of voting rights  |   |            | <b>27.50</b>    | 27.50 |
| Financial year-end  | June  |            |                 |       |
| Reporting period used to equity account for practical reasons | Audited results for the period ended 31 December (adjusted for significant subsequent events) |            |                 |       |
| Country of incorporation                                      | Republic of South Africa  |            |                 |       |
| Principal place of business                                   | Republic of South Africa  |            |                 |       |
| Nature of activities  | Property investment holding company   |            |                 |       |
| Date acquired   | July 2016   |            |                 |       |
| <b>Atterbury Europe Holding B.V.</b>                          | <b>–</b>  | 44 536     |                 |       |
| % of ownership  |   |            | <b>–</b>        | 37.50 |
| % of voting rights  |   |            | <b>–</b>        | 37.50 |
| Financial year-end  | December  |            |                 |       |
| Reporting period used to equity account for practical reasons | Audited results for the year ended 31 December (adjusted for significant subsequent events)   |            |                 |       |
| Country of incorporation                                      | Netherlands   |            |                 |       |
| Principal place of business                                   | Netherlands   |            |                 |       |
| Nature of activities  | Property investment holding company   |            |                 |       |
| Date acquired   | February 2018   |            |                 |       |
| Date disposed   | September 2022  |            |                 |       |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

#### 4 Investment in associates and joint ventures continued

*Detail of associates and joint ventures continued*

|   | Number of shares      |                                     | Percentage held |       |
|---|-----------------------|-------------------------------------|-----------------|-------|
|   | 2023                  | 2022                                | 2023            | 2022  |
|   | <b>As at 31 March</b> |                                     |                 |       |
| <b>Unlisted associates</b>                      |                       |                                     |                 |       |
| <b>Integer Properties 1 Proprietary Limited</b> | <b>900</b>            | 900                                 |                 |       |
| % of ownership                                  |                       |                                     | <b>9.00</b>     | 9.00  |
| % of voting rights                              |                       |                                     | <b>9.00</b>     | 9.00  |
| Financial year-end                              |                       | March                               |                 |       |
| Reporting period used to equity account         |                       | Audited results for March           |                 |       |
| Country of incorporation                        |                       | Republic of South Africa            |                 |       |
| Principal place of business                     |                       | Republic of South Africa            |                 |       |
| Nature of activities                            |                       | Property investment holding company |                 |       |
| Date acquired                                   |                       | September 2018                      |                 |       |
| <b>Integer Properties 2 Proprietary Limited</b> | <b>20</b>             | 20                                  |                 |       |
| % of ownership                                  |                       |                                     | <b>20.00</b>    | 20.00 |
| % of voting rights                              |                       |                                     | <b>20.00</b>    | 20.00 |
| Financial year-end                              |                       | March                               |                 |       |
| Reporting period used to equity account         |                       | Audited results for March           |                 |       |
| Country of incorporation                        |                       | Republic of South Africa            |                 |       |
| Principal place of business                     |                       | Republic of South Africa            |                 |       |
| Nature of activities                            |                       | Property investment holding company |                 |       |
| Date acquired                                   |                       | September 2018                      |                 |       |
| <b>Unlisted joint ventures</b>                  |                       |                                     |                 |       |
| <b>Integer Properties 3 Proprietary Limited</b> | <b>100</b>            | 100                                 |                 |       |
| % of ownership                                  |                       |                                     | <b>50.00</b>    | 50.00 |
| % of voting rights                              |                       |                                     | <b>50.00</b>    | 50.00 |
| Financial year-end                              |                       | March                               |                 |       |
| Reporting period used to equity account         |                       | Audited results for March           |                 |       |
| Country of incorporation                        |                       | Republic of South Africa            |                 |       |
| Principal place of business                     |                       | Republic of South Africa            |                 |       |
| Nature of activities                            |                       | Property investment holding company |                 |       |
| Date acquired                                   |                       | December 2017                       |                 |       |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

#### 4 Investment in associates and joint ventures continued

*Detail of associates and joint ventures continued*

| R million   | As at 31 March 2023              |   |             |              | As at 31 March 2022              |   |         |        |
|---|----------------------------------|---|-------------|--------------|----------------------------------|---|---------|--------|
|   | Atterbury Europe Holding B.V.    | Atterbury Property Holdings Proprietary Limited | Integer     | Total        | Atterbury Europe Holding B.V.    | Atterbury Property Holdings Proprietary Limited | Integer | Total  |
| <b>Statement of financial position</b>  |                                  |   |             |              |                                  |   |         |        |
| Current assets  | –                                | 1 542   | 50          | 1 592        | 373                              | 1 311   | 73      | 1 757  |
| Non-current assets  | –                                | 7 742   | 447         | 8 189        | 10 331                           | 8 006   | 658     | 18 995 |
| <b>Total assets</b>   | –                                | <b>9 284</b>                                    | <b>497</b>  | <b>9 781</b> | 10 704                           | 9 317   | 731     | 20 752 |
| Current liabilities   | –                                | 1 736   | 9           | 1 745        | 446                              | 1 943   | 7       | 2 396  |
| Non-current liabilities   | –                                | 5 126   | 579         | 5 705        | 4 232                            | 5 125   | 714     | 10 071 |
| <b>Total liabilities</b>  | –                                | <b>6 862</b>                                    | <b>588</b>  | <b>7 450</b> | 4 678                            | 7 068   | 721     | 12 467 |
| Non-controlling interest  | –                                | 792   | 5           | 797          | 54                               | 672   | (4)     | 722    |
| <b>Net asset value</b>  | –                                | <b>1 630</b>                                    | <b>(96)</b> | <b>1 534</b> | 5 972                            | 1 577   | 14      | 7 563  |
| RMH Property's share of net asset value   | –                                | 448   | –           | 448          | 2 239                            | 434   | 10      | 2 683  |
|   |                                  |   |             |              |                                  |   |         |        |
|   | For the year ended 31 March 2023 |   |             |              | For the year ended 31 March 2022 |   |         |        |
| <b>Revenue</b>  | –                                | 1 033   | 41          | 1 074        | 232                              | 1 025   | 70      | 1 327  |
| <b>Statement of comprehensive income/(loss)</b>                                     |                                  |   |             |              |                                  |   |         |        |
| Net profit/(loss) for the year  | –                                | 320   | (65)        | 255          | 1 414                            | 477   | (44)    | 1 847  |
| Other comprehensive loss)/income  | –                                | 2   | –           | 2            | –                                | 6   | –       | 6      |
| <b>Total comprehensive income/(loss)</b>  | –                                | <b>322</b>                                      | <b>(65)</b> | <b>257</b>   | 1 414                            | 483   | (44)    | 1 853  |
| Dividends received from associates and joint ventures                               | –                                | 41  | –           | 41           | –                                | –   | –       | –      |
| Guarantees issued in respect of funding not included in carrying value <sup>2</sup> | –                                | 489   | –           | 489          | –                                | 534   | –       | 534    |
| Loans to associates and joint venture (refer to note 3) <sup>3</sup>                | –                                | –   | 204         | 204          | 23                               | –   | 163     | 186    |

2 A financial guarantee liability of R5 million (2022: R7 million) was recognised for the guarantee provided to Atterbury SA (refer to note 10) for its facility with RMB, a division of FirstRand Bank Limited. The facility is repayable on 8 July 2023. The facility can be settled by converting it into ordinary shares at the election of Atterbury SA on the basis that, in Atterbury SA's reasonable opinion, it does not have sufficient cash resources. Should the facility be converted, RMH will receive equity to the value of the facility outstanding on 8 July 2023. RMH's interest in Atterbury will increase accordingly. The new total interest in Atterbury is estimated to be between 38% and 44% if the total facility outstanding is converted.

3 Part of the loan (disproportionate shareholders' loan) to Integer Properties 3 Proprietary Limited contains certain equity conversion rights in May 2023. RMH has given notice that it will not exercise its conversion rights. Payment of this part of the loan (R133 million as at 31 March 2023) will be due on 17 November 2023. Should Integer Properties 3 Proprietary Limited not be in the position to repay the loan the interest rate will be increased to the prime lending rate plus 10%. The loan will be repaid as underlying properties are sold and have no fixed repayment date.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

#### 4 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

*Detail of associates and joint ventures continued*

Additional disclosure for joint ventures

|   | INTEGER                     |      |
|---|-----------------------------|------|
|   | As at 31 March              |      |
| R million   | 2023                        | 2022 |
| <b>Statement of financial position</b>                                    |                             |      |
| Cash and cash equivalents   | 2                           | 5    |
| Current liabilities excluding trade and other payables and provisions     | 5                           | –    |
| Non-current liabilities excluding trade and other payables and provisions | 299                         | 295  |
|   |                             |      |
|   | For the year ended 31 March |      |
| R million   | 2023                        | 2023 |
| <b>Statement of comprehensive income</b>                                  |                             |      |
| Interest income   | 20                          | 14   |
| Interest expense  | (21)                        | (16) |
| Depreciation and amortisation   | –                           | –    |
| Income tax (expense)/income   | (2)                         | 3    |

Loss on sale of Atterbury Europe

|  | For the year ended 31 March |
|--|-----------------------------|
| R million  | 2023                        |
| Carrying value at the beginning of the year                              | (2 239)                     |
| Foreign exchange increase  | (140)                       |
| Equity accounted earnings up to 7 September 2022                         | (81)                        |
| Carrying value as at 7 September 2022                                    | (2 460)                     |
| Proceeds on disposal of Atterbury Europe                                 | 1 750                       |
| Loan sold  | (25)                        |
| Reclassification of accumulated comprehensive income of Atterbury Europe | 166                         |
| Transaction costs  | (20)                        |
| <b>Loss on disposal of Atterbury Europe</b>                              | <b>(589)</b>                |

#### Property

In October 2018, Property was placed in liquidation. As at 31 March 2023, significant progress has been made with the liquidation which is nearing completion. No further costs or any recoveries are anticipated.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 5 Investment in subsidiaries

| R million   | COMPANY        |              |
|---|----------------|--------------|
|   | As at 31 March |              |
|   | 2023           | 2022         |
| Opening balance   | 3 177          | 3 177        |
| Additions   | –              | –            |
| Impairment*   | (1 948)        | –            |
| <b>Total investment in subsidiaries – unlisted shares at cost</b> | <b>1 229</b>   | <b>3 177</b> |

\* Management considers the carrying value of its investment in subsidiaries on an annual basis. In the current year, the investment in RMH Treasury Company Limited (R3 million) and RMH Asset Holding Company (R1 945 million) was impaired. This is as a result of dividends paid by these entities and significantly reducing the standalone net asset value. These entries are reversed on consolidation and bear no reflection on the continuing operations of RMH.

| List of subsidiaries                          | % voting rights |      | % ownership |      |
|---|-----------------|------|-------------|------|
|   | As at 31 March  |      |             |      |
|   | 2023            | 2022 | 2023        | 2022 |
| <b>Direct subsidiaries</b>                    |                 |      |             |      |
| RMH Treasury Company Limited                  | 100             | 100  | 100         | 100  |
| RMH Asset Holding Company Proprietary Limited | 100             | 100  | 100         | 100  |
| <b>Indirect subsidiaries</b>                  |                 |      |             |      |
| RMH Property Holdings Proprietary Limited     | 99              | 99   | 100         | 100  |
| RMH PropHoldco 1 Proprietary Limited          | 100             | 100  | 100         | 100  |
| RMH PropHoldco 2 Proprietary Limited          | 100             | 100  | 100         | 100  |
| RMH PropHoldco 3 Proprietary Limited          | 100             | 100  | 100         | 100  |
| RMH PropHoldco 4 Proprietary Limited          | 100             | 100  | 100         | 100  |
| RMH PropHoldco 5 Proprietary Limited          | 100             | 100  | 100         | 100  |
| RMH PropHoldco 6 Proprietary Limited          | 100             | 100  | 100         | 100  |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 6 Share capital and premium

| CONSOLIDATED AND COMPANY  |                                |                  |                  |              |
|---|--------------------------------|------------------|------------------|--------------|
| R million   | Number of<br>shares<br>million | Share<br>capital | Share<br>premium | Total        |
| Balance as at 1 April 2021  | 1 411.7                        | 14               | 8 811            | 8 825        |
| Treasury shares acquired (refer to note 16)                               | (23.0)                         | –                | –                | –            |
| <b>As at 31 March 2022</b>  | <b>1 388.7</b>                 | <b>14</b>        | <b>8 811</b>     | <b>8 825</b> |
| Balance as at 1 April 2022  | <b>1 388.7</b>                 | <b>14</b>        | <b>8 811</b>     | <b>8 825</b> |
| Atterbury Europe special dividend returned out of contributed tax capital | –                              | –                | (251)            | (251)        |
| Treasury shares acquired (refer to note 16)                               | (68.7)                         | –                | –                | –            |
| <b>As at 31 March 2023</b>  | <b>1 320.0</b>                 | <b>14</b>        | <b>8 560</b>     | <b>8 574</b> |

The total authorised number of shares is 2 000 000 000 (2022: 2 000 000 000), with a par value of one cent per share (2022: one cent). During the current year, no shares were issued (2022: nil). 5% of the issued share capital is under the control of the board of directors until the forthcoming annual general meeting.

The total authorised number of redeemable cumulative preference shares is 100 000 000 (2022: 100 000 000), with a par value of one cent per share (2022: one cent). During the year, no preference shares were issued.

During the prior year, RMH introduced the RMH forfeitable share plan (refer to note 23.4). The forfeitable share plan is equity-settled. These RMH shares are allocated to restrictive accounts for participants of the RMH forfeitable share plan. The RMH shares are treated as treasury shares and a reserve is created (refer to note 7). The number of treasury shares increased from 22 999 407 to 68 737 948 as the net results of some participants early exiting due to the RMI restructure and an allocation made to compensate remaining participants for the value loss due to the Atterbury Europe special dividend paid on 10 October 2022.

## 7 Reserves

|  |   | CONSOLIDATED   |                | COMPANY        |                |
|--|---|----------------|----------------|----------------|----------------|
|  |   | As at 31 March |                |                |                |
| R million                                      | Description   | 2023           | 2022           | 2023           | 2022           |
| Retained earnings                              |   | (7 236)        | (6 650)        | (7 269)        | (5 604)        |
| Equity-accounted reserves                      | Reserves belonging to equity-accounted investments  | 160            | 1 727          | –              | –              |
| Foreign currency translation reserve           | Translation reserve relating to foreign equity-accounted investments  | –              | 26             | –              | –              |
| <b>Other reserves</b>                          |   | <b>(82)</b>    | <b>(18)</b>    | <b>(84)</b>    | <b>(32)</b>    |
| Share-based payment reserve (refer to note 23) | Reserve for equity-settled share-based payment arrangements   | 18             | 15             | 16             | 1              |
| Treasury share reserve                         | Reserve created for RMH shares bought in terms of the RMH forfeitable share plan (refer to note 23.4). During the prior year, the reserve related to nil cost options (refer to note 6) | (49)           | (33)           | (49)           | (33)           |
| Treasury share reserve                         | Reserve created for shares to be bought back in terms of section 164 of the Companies Act   | (51)           | –              | (51)           | –              |
| <b>Total reserves</b>                          |   | <b>(7 158)</b> | <b>(4 915)</b> | <b>(7 353)</b> | <b>(5 636)</b> |



NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 8 Trade and other payables

|                                     | CONSOLIDATED   |           | COMPANY   |           |
|-------------------------------------|----------------|-----------|-----------|-----------|
|                                     | As at 31 March |           |           |           |
| R million                           | 2023           | 2022      | 2023      | 2022      |
| Trade payables and accrued expenses | 3              | 6         | 2         | 3         |
| Unclaimed dividends                 | 29             | 26        | 29        | 26        |
| <b>Trade and other payables</b>     | <b>32</b>      | <b>32</b> | <b>31</b> | <b>29</b> |

The carrying value of trade payables and accrued expenses approximates the fair value.

## 9 Provisions

|   | CONSOLIDATED   |          | COMPANY   |          |
|---|----------------|----------|-----------|----------|
|   | As at 31 March |          |           |          |
| R million                                     | 2023           | 2022     | 2023      | 2022     |
| Provision for liquidation costs <sup>1</sup>  | –              | 1        | –         | –        |
| Provision for section 164 demand <sup>2</sup> | 58             | –        | 58        | –        |
| Provision for leave pay                       | 3              | –        | –         | –        |
| <b>Provisions</b>                             | <b>61</b>      | <b>1</b> | <b>58</b> | <b>–</b> |
| Opening balance                               | 1              | 28       | –         | –        |
| Additions                                     | 61             | –        | 58        | –        |
| Amount released                               | (1)            | –        | –         | –        |
| Amount utilised                               | –              | (27)     | –         | –        |
| <b>Provisions</b>                             | <b>61</b>      | <b>1</b> | <b>58</b> | <b>–</b> |

### Description

- <sup>1</sup> The liquidation of Propertuity has been finalised.
- <sup>2</sup> Between 6 and 13 September 2022, five shareholders owing 20 770 019 RMH shares evoked their appraisal rights in terms of section 164 of the Companies Act. They demanded RMH repurchase their shares at fair value. RMH made a fair value offer for these shares at 197.76 cents per share. The offer was rejected by the shareholders. Subsequently, one shareholder withdrew his demand while the other four shareholders owning 18 770 019 RMH shares pursued further litigation. A summons demanding a fair value of 269.38 cents per share was delivered. As the shareholders can no longer withdraw their demand, the court now needs to determine the fair value per share, the interest due and payable as well as the cost allocation if the court finds that the section 164 demand is valid and not against the constitution of South Africa. RMH has therefore provided for the fair value demand at the price demanded by the plaintiffs, an estimate of the interest to 31 March 2023 as well as the potential legal cost.

## 10 Financial liabilities

|  | CONSOLIDATED   |          | COMPANY  |          |
|--|----------------|----------|----------|----------|
|  | As at 31 March |          |          |          |
| R million                              | 2023           | 2022     | 2023     | 2022     |
| Financial guarantee contract liability | 5              | 7        | 4        | 7        |
| <b>Financial liabilities</b>           | <b>5</b>       | <b>7</b> | <b>4</b> | <b>7</b> |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 11 Investment income

|                                 | CONSOLIDATED                |           | COMPANY      |              |
|---------------------------------|-----------------------------|-----------|--------------|--------------|
|                                 | For the year ended 31 March |           |              |              |
|                                 | 2023                        | 2022      | 2023         | 2022         |
| R million                       |                             |           |              |              |
| Dividend income from subsidiary | –                           | –         | 2 033        | 1 025        |
| Interest income                 | 16                          | 4         | 6            | 3            |
| Interest on loans to associates | 17                          | 12        | –            | –            |
| <b>Total investment income</b>  | <b>33</b>                   | <b>16</b> | <b>2 039</b> | <b>1 028</b> |

## 12 Fair value gains/(losses) on financial assets and liabilities

|   | CONSOLIDATED                |           | COMPANY  |            |
|---|-----------------------------|-----------|----------|------------|
|   | For the year ended 31 March |           |          |            |
|   | 2023                        | 2022      | 2023     | 2022       |
| R million   |                             |           |          |            |
| Fair value movement on loan to Atterbury Europe                       | 2                           | (1)       | –        | –          |
| Fair value movement on financial guarantee contract                   | 3                           | (2)       | 3        | (3)        |
| Fair value gain on investment securities                              | 52                          | 39        | –        | –          |
| Fair value movement on Ascencia-linked preference shares              | (4)                         | –         | –        | –          |
| Fair value movement on investment in Divercity                        | (15)                        | (6)       | –        | –          |
| <b>Net fair value gain/(loss) on financial assets and liabilities</b> | <b>38</b>                   | <b>30</b> | <b>3</b> | <b>(3)</b> |

## 13 Net impairment (losses)/reversal

|   | CONSOLIDATED                |          | COMPANY        |          |
|---|-----------------------------|----------|----------------|----------|
|   | For the year ended 31 March |          |                |          |
|   | 2023                        | 2022     | 2023           | 2022     |
| R million                                       |                             |          |                |          |
| ECL (created)/reversed on loan to joint venture | (3)                         | 1        | –              | –        |
| Impairment of investment in subsidiaries        | –                           | –        | (1 948)        | –        |
| <b>Net impairment (losses)/reversal</b>         | <b>(3)</b>                  | <b>1</b> | <b>(1 948)</b> | <b>–</b> |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 14 Operating expenses

| R million  | CONSOLIDATED                |             | COMPANY     |             |
|--|-----------------------------|-------------|-------------|-------------|
|  | For the year ended 31 March |             |             |             |
|  | 2023                        | 2022        | 2023        | 2022        |
| <b>Expenses by nature</b>  |                             |             |             |             |
| – Professional fees and regulatory compliance cost   | (8)                         | (6)         | (8)         | (6)         |
| – Management fees <sup>1</sup>   | (3)                         | (6)         | (4)         | (6)         |
| – Audit fees   | (3)                         | (3)         | (3)         | (3)         |
| – Staff costs  | (6)                         | (4)         | –           | –           |
| – Share-based payment expense (refer to note 23)   | –                           | (17)        | (12)        | (13)        |
| – Provision for liquidation costs reversal   | 1                           | 4           | –           | –           |
| – Directors' fees  | (2)                         | (2)         | (2)         | (2)         |
| – Legal costs  | (8)                         | –           | (8)         | –           |
| – Other expenses <sup>2</sup>  | –                           | (3)         | 1           | (3)         |
| <b>Total administrative expenses</b>   | <b>(29)</b>                 | <b>(37)</b> | <b>(36)</b> | <b>(33)</b> |
| <p>1 Management fees were previously paid to RMI for services rendered. These services included a recovery of personnel costs. In December 2022, RMI restructured to OUTsure Group Limited and the arrangement ended.</p> <p>2 Aggregation of expenses, all less than R500 000 individually.</p> |                             |             |             |             |
| <b>Audit fees</b>  |                             |             |             |             |
| Statutory audit – current year   | (3)                         | (3)         | (3)         | (3)         |
| <b>Total audit fees</b>  | <b>(3)</b>                  | <b>(3)</b>  | <b>(3)</b>  | <b>(3)</b>  |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 15 Income tax expense

| R million  | CONSOLIDATED                |               | COMPANY       |               |
|--|-----------------------------|---------------|---------------|---------------|
|  | For the year ended 31 March |               |               |               |
|  | 2023                        | 2022          | 2023          | 2022          |
| <b>South African income tax</b>  |                             |               |               |               |
| <b>Current tax</b>   |                             |               |               |               |
| – Current year   | (23)                        | (18)          | (2)           | (3)           |
| – Prior year   | 2                           | –             | 1             | –             |
| <b>Taxation</b>  | <b>(21)</b>                 | <b>(18)</b>   | <b>(1)</b>    | <b>(3)</b>    |
| The tax on accounting profits differs from the actual tax paid:                                |                             |               |               |               |
| <b>(Loss)/profit before tax</b>  | <b>(419)</b>                | <b>629</b>    | <b>49</b>     | <b>997</b>    |
| Tax at the standard income tax rate of South Africa  | 113                         | (176)         | (13)          | (279)         |
| <b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income</b>  |                             |               |               |               |
| Dividend income  | –                           | –             | 549           | 287           |
| Realised fair value income   | –                           | –             | –             | –             |
| Realised fair value income on treasury shares  | –                           | (1)           | –             | (1)           |
| Impairment of investment in subsidiary   | –                           | –             | (526)         | –             |
| Impairment of associates   | –                           | –             | –             | –             |
| Loss on sale of Atterbury Europe   | (160)                       | –             | –             | –             |
| Income from associates   | 34                          | 172           | –             | –             |
| Expenses not tax-deductible  | (8)                         | (10)          | (13)          | (9)           |
| Unrealised fair value loss reversed  | (2)                         | (3)           | 1             | (1)           |
| <b>Taxation</b>  | <b>(23)</b>                 | <b>(18)</b>   | <b>(2)</b>    | <b>(3)</b>    |
| The tax on accounting profits differs from the actual tax paid:                                |                             |               |               |               |
|  | %                           | %             | %             | %             |
| Standard income tax rate of South Africa   | (27.00)                     | (28.00)       | (27.00)       | (28.00)       |
| <b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b> |                             |               |               |               |
| Dividend income  | –                           | –             | 1 120.41      | 28.78         |
| Realised fair value income on treasury shares  | –                           | (0.16)        | –             | (0.10)        |
| Impairment of investment in subsidiary   | –                           | –             | (1 073.47)    | –             |
| Loss on sale of Atterbury Europe   | 38.19                       | –             | –             | –             |
| Income from associates   | (8.12)                      | 27.29         | –             | –             |
| Expenses not tax-deductible  | 1.91                        | (1.59)        | (26.53)       | (0.90)        |
| Unrealised fair value loss reversed  | 0.48                        | (0.48)        | 2.59          | (0.10)        |
| <b>Effective tax rate</b>  | <b>5.46</b>                 | <b>(2.94)</b> | <b>(4.00)</b> | <b>(0.32)</b> |

### Deferred tax

No deferred tax liability has been created on taxable temporary differences arising on investments in subsidiaries and associates and interests in joint ventures as RMH is able to control the reversal of the temporary difference and, at the current carrying values, no taxable temporary differences exist. Consequently, no deferred tax asset has been raised for the tax-deductible temporary differences either as it is not probable that sufficient future taxable profits will be available to allow for all or part of the asset to be recovered.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 16 (Loss)/earnings, headline earnings and dividend per share

| CONSOLIDATED  |                             |       |                 |      |
|---|-----------------------------|-------|-----------------|------|
|   | R million                   |       | cents per share |      |
|   | For the year ended 31 March |       |                 |      |
|   | 2023                        | 2022  | 2023            | 2022 |
| (Loss)/earnings attributable to ordinary equity holders |                             |       |                 |      |
| – Basic   | (440)                       | 611   | (31.9)          | 43.9 |
| – Diluted   | (440)                       | 611   | (31.9)          | 43.9 |
| Headline (loss)/earnings                                |                             |       |                 |      |
| – Basic   | 160                         | 56    | 11.6            | 4.0  |
| – Diluted   | 160                         | 56    | 11.6            | 4.0  |
| Special dividends paid during the year                  | 1 723                       | 1 129 | 141.7           | 80.0 |

|  | As at 31 March |      |
|--|----------------|------|
|  | 2023           | 2022 |

### 16.1 Weighted average number of shares

|  |                      |                      |
|--|----------------------|----------------------|
| Number of shares issued                    | 1 411 703 218        | 1 411 703 218        |
| Number of treasury shares                  | (68 737 948)         | (22 999 407)         |
| <b>Number of shares</b>                    | <b>1 342 965 270</b> | <b>1 388 703 811</b> |
| Weighted number of shares issued           | 1 411 703 218        | 1 411 703 218        |
| Weighted number of treasury shares         | (30 742 028)         | (19 714 673)         |
| <b>Weighted number of shares</b>           | <b>1 380 961 190</b> | <b>1 391 988 545</b> |
| Weighted number of shares issued           | 1 411 703 218        | 1 411 703 218        |
| Diluted weighted number of treasury shares | (30 742 028)         | (19 714 673)         |
| <b>Diluted weighted number of shares</b>   | <b>1 380 961 190</b> | <b>1 391 988 545</b> |

| CONSOLIDATED  |                             |            |           |           |
|---|-----------------------------|------------|-----------|-----------|
|   | For the year ended 31 March |            |           |           |
| R million   | 2023                        |            | 2022      |           |
|   | Gross                       | Net        | Gross     | Net       |
| <b>Headline earnings reconciliation</b>                                   |                             |            |           |           |
| (Loss)/earnings attributable to ordinary equity holders                   | (419)                       | (440)      | 629       | 611       |
| Adjusted for:   | 601                         | 600        | (563)     | (555)     |
| <i>RMH's share of adjustments made by RMH Property and its associates</i> |                             |            |           |           |
| RMH Property's associates' adjustments                                    | 12                          | 11         | (574)     | (566)     |
| Loss on sale of Atterbury Europe  | 589                         | 589        |           |           |
| Loss on dilution of Divercity   | –                           | –          | 11        | 11        |
| <b>Headline earnings attributable to ordinary equity holders</b>          | <b>182</b>                  | <b>160</b> | <b>66</b> | <b>56</b> |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 17 Segmental reporting

### Group's chief operating decision-maker

The chief operating decision-maker has been identified as the CEO. Information provided is aligned with the internal reporting provided to the CEO.

### Identification and measurement of operating segments

Information provided is aligned with the internal reporting provided to the CEO. Operating segments with revenue, absolute profit or loss for the period or total assets representing 10% or more of all total revenue, total profit or loss or total assets, are reported separately. Subsequent to the unbundling of FirstRand in the 2020 financial year, the only segmental information considered is geographical information. After the sale of Atterbury Europe on 7 September 2022, there is no remaining segmental information to be presented. The remainder of RMH Property is South African-based.

### Geographical segments

| R million  | South Africa | Europe    | Total RMH  |
|--|--------------|-----------|------------|
| <b>For the year ended 31 March 2023</b>                    |              |           |            |
| <b>Revenue</b>   | <b>78</b>    | <b>81</b> | <b>159</b> |
| Share of after-tax profit of associates and joint ventures | 45           | 81        | 126        |
| Profit/(loss) for the year                                 | 66           | (506)     | (440)      |
| <b>As at 31 March 2023</b>                                 |              |           |            |
| Investment in associates and joint ventures                | 448          | –         | 448        |
| <b>For the year ended 31 March 2022</b>                    |              |           |            |
| <b>Revenue</b>   | 87           | 542       | 629        |
| Share of after-tax profit of associates and joint ventures | 71           | 542       | 613        |
| Profit for the year  | 69           | 542       | 611        |
| <b>As at 31 March 2022</b>                                 |              |           |            |
| Investment in associates and joint ventures                | 444          | 2 239     | 2 683      |

## 18 Related parties

### Principal shareholders

Details of major shareholders are disclosed in the directors' report. The principal shareholder is Royal Bafokeng Holdings Proprietary Limited.

### Key management personnel and their associates

Only RMH's directors are key management personnel. Information on directors' emoluments and their shareholding in the company appears in the directors' report. RMI was identified as an associate of key management personnel until 1 December 2022.

### Subsidiaries

Details of the investment in subsidiaries are disclosed in note 5.

### Associate and joint ventures

Details of the investment in associates and joint ventures are disclosed in note 4.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 18 Related parties continued

| R million  | CONSOLIDATED                |      | COMPANY |      |
|--|-----------------------------|------|---------|------|
|  | For the year ended 31 March |      |         |      |
|  | 2023                        | 2022 | 2023    | 2022 |
| <b>Transactions of RMB Holdings Limited with:</b>  |                             |      |         |      |
| <b>Principal shareholders</b>  |                             |      |         |      |
| Dividends paid   | 300                         | 169  | 300     | 169  |
| <b>Key management personnel</b>  |                             |      |         |      |
| Salaries and other benefits  | 10                          | 10   | 4       | 6    |
| Directors' fees  | 2                           | 2    | 2       | 2    |
| <b>RMH's wholly-owned subsidiaries' transactions with RMH Property's associates and joint ventures</b> |                             |      |         |      |
| <b>Income statement effect</b>   |                             |      |         |      |
| Fee income   | 6                           | 6    | 5       | 5    |
| – Fees received from Atterbury Property Holdings Proprietary Limited                                   | 5                           | 5    | 5       | 5    |
| – Fees received from Atterbury Europe Holding B.V.   | 1                           | 1    | –       | –    |
| <b>Investment income</b>   |                             |      |         |      |
| – Interest accrued: Integer 3 Proprietary Limited  | 17                          | 12   |         |      |
| Fair value movements   |                             |      |         |      |
| – Loan to Atterbury Europe Holding B.V. carried at fair value  | 2                           | (1)  |         |      |
| Impairment (losses)/reversal   |                             |      |         |      |
| – Loan to Integer 3 Proprietary Limited  | (3)                         | 1    |         |      |
| <b>Balance sheet effect</b>  |                             |      |         |      |
| Loans and receivables  | 204                         | 186  |         |      |
| – Loan to Integer Properties 3 Proprietary Limited   | 204                         | 163  |         |      |
| – Atterbury Europe Holding B.V.  | –                           | 23   |         |      |
| <b>Transactions of RMH with RMI</b>  |                             |      |         |      |
| <b>Income statement effect</b>   |                             |      |         |      |
| Operating expenses   |                             |      |         |      |
| – Management fee   | (3)                         | (6)  | (3)     | (6)  |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 19 Financial guarantees and commitments

|   | CONSOLIDATED   |      | COMPANY |      |
|---|----------------|------|---------|------|
|   | As at 31 March |      |         |      |
| R million   | 2023           | 2022 | 2023    | 2022 |
| Financial guarantees provided on behalf of associates   | 489            | 534  | 489     | 534  |
| Loan funding committed to associates and joint ventures | 13             | 25   | –       | –    |
| Financial guarantees and commitments                    | 502            | 559  | 489     | 534  |

Guarantees have been provided for certain funding facilities on behalf of property investments (refer to note 4). Refer to note 22 for the credit risk management of RMH and note 20 providing more detailed on what transpired subsequent to the reporting date.

## 20 Subsequent events

### Atterbury

RMH and its wholly-owned subsidiary, RMH Asset Holding Company Proprietary Limited (RMHAH), each of which provided a guarantee to Rand Merchant Bank, a division of FirstRand Bank Limited (RMB), as security for a loan RMB provided to Atterbury Property Holdings Property Limited, registration number 1998/014055/07 (Atterbury) in July 2016.

In terms of the loan facility agreement entered between RMB and Atterbury in July 2016 (the 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 RMB and 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.

On 7 July 2023, being the predetermined repayment date, Atterbury issued a share conversion notice to RMB. On receipt of the conversion notice, RMB demanded payment of the outstanding loan amount of R487 million in terms of both the RMH and RMHAH guarantees. RMH declined to pay under the RMH guarantee and proceeded to settle the outstanding loan amount as guarantor under the RMHAH guarantee. Immediately upon payment under the RMHAH guarantee, RMHAH assumed all the rights of the lender under the facility agreement. As of close of business on 7 July 2023, RMHAH is the lender as defined in the facility agreement.

As a consequence of RMH having declined to pay under the RMH guarantee, on 10 July 2023, RMHAH exercised its right to decline the offer from Atterbury to repay the loan amount outstanding by the issuance of shares and demanded an amount of R487 million from Atterbury as of 10 July 2023.

### Integer

As previously mentioned, on 17 May 2023, RMH gave notice to Integer 3 that it will not exercise its equity conversion right. The disproportionate shareholders' loan is due and payable on 17 November 2023 (R133 million as at 31 March 2023).

Cognisant of the Integer business model and whether the entity would be able to sell assets and the other shareholder being able to equalise the shareholders' loan on 17 November 2023, RMH at the March 2023 board meeting has agreed to the following:

- Extend the loan but at an increased interest rate equal to the prime lending rate plus 10% (the current interest rate is equal to the prime lending rate plus 5%).
- Shareholders are reminded that the loan to Integer consists of a proportionate shareholders' loan of R74 million with no repayment terms and the disproportionate shareholders' loan of R133 million. The disproportionate shareholders' loan ranks ahead of the proportionate shareholders' loan. The higher interest rate would impact the recoverability of the R74 million proportionate shareholders' loan.

### Dissenting shareholders

On 10 July 2023, RMH bought back 5 500 000 RMH ordinary shares from two shareholders who exercised their rights in terms of section 164 (2) of the Companies Act. The total purchase price amounted to R10.9 million. RMH had provided sufficiently for this as at 31 March 2023. Refer to note 9.

Two shareholders owning 13 270 019 RMH shares have applied to court in terms of section 164(14). On 1 June 2023, the Minister of Trade and Industry was joined in the matter. On 10 July 2023, RMH received notification that the Minister of Trade and Industry intended to defend the matter.

The next step will be for the exceptions to be set down for hearing and for the parties, including the Minister of Trade and Industry to deliver their heads of arguments.

There were no other material events that occurred between the date of the statement of financial position and the date of signature of these annual financial statements.



## 21 Fair value measurement and analysis of assets and liabilities

This note provides information about the judgements and estimates made to determine the fair values of the financial instruments that are recognised and measured at fair value in the annual financial statements. To provide an indication of the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level is contained in the table below.

### Valuation methodology applied

Fair value is defined as the price that would be received when selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, i.e. an exit price. Fair value is therefore a market-based measurement and, when measuring fair value, RMH uses the assumptions that market participants would use when pricing an asset or liability under current market conditions, including assumptions about risk. When determining fair value, it is presumed that the entity is a going concern and the fair value is therefore not an amount that represents a forced transaction, involuntary liquidation or a distressed sale.

### Fair value measurement

Fair value measurements are determined on both a recurring and non-recurring basis.

### Recurring fair value measurements

Recurring fair value measurements are those for assets and liabilities that IFRS requires or permits to be recognised at fair value and are recognised in the statement of financial position at the reporting date. This includes financial assets, financial liabilities and non-financial assets.

### Other fair value measurements

Other fair value measurements include assets and liabilities not measured at fair value but for which fair value disclosures are required under another IFRS standard, e.g. financial instruments at amortised cost. The fair values of these items are determined by using observable quoted market prices where these are available, or in accordance with generally acceptable pricing models such as a discounted cash flow analysis.

### Fair value hierarchy and measurements

Valuations based on observable inputs include:

- Level 1 – Fair value is based on quoted market prices (unadjusted) in active markets for identical instruments as measured on the reporting date. An active market is one in which transactions occur with sufficient volume and frequency to reliably provide pricing information on an ongoing basis.
- Level 2 – Fair value is determined through valuation techniques based on observable market inputs. These valuation techniques maximise the use of observable market data where available and rely as little as possible on entity-specific estimates.

Valuations based on unobservable inputs include:

- Level 3 – Fair value is determined through valuation techniques that use significant unobservable inputs.

The table below sets out the valuation techniques applied by RMH for fair value measurements of financial assets and liabilities categorised as Level 3 assets and liabilities in the fair value hierarchy.

| Instrument  | Valuation technique                                | Description of valuation technique and main assumptions   | Unobservable inputs |
|---|--|---|---------------------|
| <b>For instruments carried at fair value</b>                          |  |   |                     |
| Loans and receivables including loans to associates (refer to note 3) | Discounted cash flows                              | The future cash flows are discounted using a market-related interest rate adjusted for credit inputs over the contractual period.   | Interest rates      |
| Investment securities – unlisted equity investments (refer to note 2) | Net asset value per share of underlying investment | The unlisted investment relates to Divercity. Divercity's primary business is long-term investing in urban renewal, income-generating properties and developments in South Africa. Given the asset-intense investment and inconsistent earnings, it remains appropriate that the base to value the investment is a market-related net asset value basis. These valuations are supported by external valuations. RMH has, however, applied a minority discount of 20% in the current year, following the disposal of Atterbury Europe. | Net asset value     |
| Financial guarantee contracts (refer to note 11)                      | Discounted cash flow                               | The present value of the cumulative unearned fee received in exchange for providing the guarantee.  | Discount rate       |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 21 Fair value measurement and analysis of assets and liabilities continued

| CONSOLIDATED  |         |         |         |       |
|---|---------|---------|---------|-------|
| R million   | Level 1 | Level 2 | Level 3 | Total |
| <b>As at 31 March 2023</b>                          |         |         |         |       |
| <b>Recurring fair value measurements</b>            |         |         |         |       |
| <b>Financial assets measured at fair value</b>      |         |         |         |       |
| Investment securities                               | 647     | 28      | 97      | 772   |
| Fair value of financial assets                      | 647     | 28      | 97      | 772   |
| <b>Recurring fair value measurements</b>            |         |         |         |       |
| <b>Financial liabilities measured at fair value</b> |         |         |         |       |
| Financial liabilities                               | –       | –       | 5       | 5     |
| Fair value of financial liabilities                 | –       | –       | 5       | 5     |

| CONSOLIDATED  |         |         |       |
|---|---------|---------|-------|
| R million   | Level 1 | Level 3 | Total |
| <b>As at 31 March 2022</b>                          |         |         |       |
| <b>Financial assets measured at fair value</b>      |         |         |       |
| Investment securities                               | 922     | 111     | 1 033 |
| Loans and receivables                               | –       | 23      | 23    |
| Fair value of financial assets                      | 922     | 134     | 1 056 |
| <b>Recurring fair value measurements</b>            |         |         |       |
| <b>Financial liabilities measured at fair value</b> |         |         |       |
| Financial liabilities                               | –       | 7       | 7     |
| Fair value of financial liabilities                 | –       | 7       | 7     |

| CONSOLIDATED   |                |      |
|--|----------------|------|
|  | As at 31 March |      |
|  | 2023           | 2022 |
| <b>Reconciliation of Level 3 assets measured at fair value</b> |                |      |
| Balance at the beginning of the year                           | 134            | 24   |
| Additions in the current year                                  | –              | 118  |
| Disposals  | (24)           | –    |
| Fair value movement recognised in profit or loss               | (13)           | (8)  |
| Balance at the end of the year                                 | 97             | 134  |

| CONSOLIDATED  |                |      |
|---|----------------|------|
|   | As at 31 March |      |
|   | 2023           | 2022 |
| <b>Reconciliation of Level 3 liabilities measured at fair value</b> |                |      |
| Balance at the beginning of the year                                | 7              | 6    |
| Fair value movement recognised in profit or loss                    | (2)            | 1    |
| Balance at the end of the year                                      | 5              | 7    |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 21 Fair value measurement and analysis of assets and liabilities continued

| R million   | COMPANY        |       |
|---|----------------|-------|
|   | Level 3        | Total |
| <b>Recurring fair value measurements</b>                            |                |       |
| <b>As at 31 March 2023</b>  |                |       |
| <b>Financial liabilities measured at fair value</b>                 |                |       |
| Financial liabilities   | 4              | 4     |
| Fair value of financial liabilities                                 | 4              | 4     |
| <b>Recurring fair value measurements</b>                            |                |       |
| <b>As at 31 March 2022</b>  |                |       |
| <b>Financial liabilities measured at fair value</b>                 |                |       |
| Loans and receivables   | 7              | 7     |
| Fair value of financial liabilities                                 | 7              | 7     |
| COMPANY   |                |       |
|   | As at 31 March |       |
| <b>Reconciliation of Level 3 liabilities measured at fair value</b> | 2023           | 2022  |
| Balance at the beginning of the year                                | 7              | 6     |
| Fair value movement recognised in profit or loss                    | (3)            | 1     |
| Fair value liabilities  | 4              | 7     |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 22 Management of financial risk

Various financial risks have an impact on the group's results: market risk (including currency risk, interest rate risk and other price risk), credit risk, concentration risk and liquidity risk. These risks are all managed within the investment strategy of RMH and are discussed at biannual audit and risk committee and quarterly board meetings as part of the assessment of the performance of the underlying investments. The risk management framework is aimed at minimising the negative impact that the unpredictable financial markets can have on the results of the group. The quantitative and qualitative impacts of market risk, credit risk and liquidity risk on the results of the group are outlined below.

**Market risk** is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: **currency risk, interest rate risk and other price risk.**

### Currency risk

Currency risk is the risk that the value of the financial instrument denominated in a foreign currency and group entities with functional currencies other than the Rand will fluctuate because of changes in the currency valuation of the Rand.

The following assets of RMH are or were exposed to currency risk:

- The investment in Atterbury Europe (refer to note 4). Atterbury Europe operates in the Central and Eastern Europe countries of Romania, Serbia and Cyprus. As at 31 March 2022, the investment in Atterbury Europe accounted for 83% of the carrying value of the investment in associates. The investment was sold on 7 September 2022. The investment was not hedged for currency risk as it is not permitted within current foreign exchange legislation. Currency risk was taken into account in the internal rate of return target for investments in a currency other than the functional currency of RMH, which is the Rand.
- RMH further extended a Euro 1.5 million (2022: Euro 1.5 million) loan to Atterbury Europe (refer to note 3). The loan was sold on 7 September 2022.
- On 1 August 2022, Atterbury Property Proprietary Limited issued 4 092 546 Ascencia-linked preference shares, of which 793 045 were redeemed during the year. Ascencia Limited is listed on Mauritian Stock Exchange, with share code ASCE. N0000.

RMH has no liabilities which are exposed to currency risk.

The impact of the movements in the Rand/Euro and Rand/Mauritian Rupee exchange rates on the results of the group are demonstrated below:

|                                      | CONSOLIDATED    |                 |                 |                 |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                      | As at 31 March  |                 |                 |                 |
|                                      | 2023            |                 | 2022            |                 |
| R million                            | 10%<br>increase | 10%<br>decrease | 10%<br>increase | 10%<br>decrease |
| Loan to associates (refer to note 3) | –               | –               | 2               | (2)             |
| Ascencia-linked preference shares    | 3               | (3)             | –               | –               |

### Interest rate risk

Interest rate risk is the risk of the fair value of future cash flows of a financial instrument fluctuating because of changes in market interest rates.

As both the company and the group have no outstanding funding arrangements, the exposure to interest rate risk has reduced significantly. The table below reflects the equity holders' exposure to interest rate risk. The construct of the statement of financial position is monitored on an ongoing basis by management and reported on at the quarterly board meetings. Management takes a view on the short, medium and long term of the interest rate environment and accordingly makes recommendations to the board.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 22 Management of financial risk continued

Below is the quantitative impact of applying an interest rate shock of 200bps on the effective rate method to the underlying interest rate. An increase or decrease in the market interest rate would result in the following changes in the profit before tax of the group:

|                                     | CONSOLIDATED                |                 |                 |                 | COMPANY         |                 |                 |                 |
|-------------------------------------|-----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                     | For the year ended 31 March |                 |                 |                 |                 |                 |                 |                 |
|                                     | 2023                        |                 | 2022            |                 | 2023            |                 | 2022            |                 |
| R million                           | 200bps increase             | 200bps decrease | 200bps increase | 200bps decrease | 200bps increase | 200bps decrease | 200bps increase | 200bps decrease |
| <b>Financial assets</b>             |                             |                 |                 |                 |                 |                 |                 |                 |
| Cash and cash equivalents           | 2                           | (2)             | 4               | (4)             | 1               | (1)             | 2               | (3)             |
| Loans and receivables               | 1                           | (1)             | 3               | (3)             | –               | –               | –               | –               |
| Investment securities – Unit trusts | 17                          | (17)            | 20              | (20)            | –               | –               | –               | –               |

### Other price risk

Equity risk is the risk of the fair value or future cash flows of a financial instrument fluctuating because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The group has an unlisted equity investment in Divercity and Ascencia-linked preference shares which is exposed to the value of the underlying securities. The table below reflects the equity holders' exposure to the equity price risk of these underlying securities. A hypothetical 10% increase or decrease in the equity price would result in the following changes in the profit before tax of the group:

|   | CONSOLIDATED                |                    |                    |                    |
|---|-----------------------------|--------------------|--------------------|--------------------|
|   | For the year ended 31 March |                    |                    |                    |
|   | 2023                        |                    | 2022               |                    |
| R million   | 10% price increase          | 10% price decrease | 10% price increase | 10% price decrease |
| <b>Financial assets</b>                                   |                             |                    |                    |                    |
| Investment securities – Divercity                         | 2                           | (2)                | 1                  | (1)                |
| Investment securities – Ascencia-linked preference shares | 3                           | (3)                | –                  | –                  |

### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The key areas where the group is exposed to credit risk are:

- cash and cash equivalents;
- loans and receivables;
- investment securities; and
- financial guarantee contracts.

Credit risk is assessed as part of the investment risk and can be categorised as credit risk relating to near-cash investments and credit risk relating to other investments:

#### Credit risk relating to near-cash investments

RMH's cash and cash equivalents and investment securities are placed with high credit quality financial institutions with formal credit ratings.

#### Credit risk relating to other investments

Upon investment, the credit risk of the investees is considered by the board. Factors considered include a credit rating (formal or informal), previous events of default, liquidity management, credit and balance sheet management of the investee and risk factors specifically pertaining to the sector or sub-sector of the investee. Changes in the creditworthiness of investees are part of the investment matrixes monitored by management on an ongoing basis and reported on at quarterly board meetings. Changes in the assessment are taken into account to determine ECLs and the fair value of loans carried at fair value. The investees of RMH do not have formal credit ratings. Credit risk is assessed on a short-, medium- and long-term basis. No defaults were experienced on loans and receivables in the current or prior year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 22 Management of financial risk continued

The table below provides information as assessed by RMH on the credit risk exposure by credit ratings at the year-end:

| R million                           | As at 31 March |     |           |       |      |           |       |
|-------------------------------------|----------------|-----|-----------|-------|------|-----------|-------|
|                                     | 2023           |     |           |       | 2022 |           |       |
|                                     | AA-            | BB- | Not rated | Total | BB-  | Not rated | Total |
| <b>CONSOLIDATED</b>                 |                |     |           |       |      |           |       |
| Cash and cash equivalents           | –              | 94  | –         | 94    | 76   | –         | 76    |
| Loans and receivables               | –              | –   | 209       | 209   | –    | 187       | 187   |
| Investment securities               | 28             | 647 | 97        | 772   | 922  | 111       | 1 033 |
| Financial guarantee contract issued | –              | –   | 487       | 487   | –    | 7         | 7     |
|                                     | 28             | 741 | 793       | 1 562 | 998  | 305       | 1 303 |
| <b>COMPANY</b>                      |                |     |           |       |      |           |       |
| Cash and cash equivalents           | –              | 80  | –         | 80    | 65   | –         | 65    |
| Loans and receivables               | –              | –   | 4         | 4     | –    | 1         | 1     |
|                                     | –              | 80  | 4         | 84    | 65   | 1         | 66    |

The ratings were obtained from Standard & Poor's. The ratings are based on long-term investment horizons. Where long-term ratings are not available, the financial instruments are categorised according to short-term ratings. The ratings are defined as follows:

### Long-term investment grade

- AA- 'AA' ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
- B An obligation rated 'B' is more vulnerable to non-payment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitments on the obligation. Adverse business, financial or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitments on the obligation.
- BB- An obligor is less vulnerable in the near term than other lower-rated obligors. It, however, faces major ongoing uncertainties and exposure to adverse business, financial or economic conditions, which could lead to the obligor's inadequate capacity to meet its financial commitments.
- Not rated The credit exposure for the assets listed above is considered acceptable by the board even though the counterparty does not have a formal rating. Deterioration of credit risk per asset is considered in the determination for impairment or fair value of the asset by the board on an asset level, taking into consideration the historical performance of the counterparty as well as forward-looking information.

### Concentration risk

Credit concentration risk is the risk of loss to the group arising from an excessive concentration of exposure to a single counterparty, industry, market, product, financial instrument or type of security, country or region, or maturity.

RMH, by nature of being an investment holding company with one investment, namely an investment in RMH Property, is naturally exposed to a single industry, being the property industry. Furthermore, 100% (2022:100%) of its investments in associates are part of the Atterbury group. This concentration risk is closely monitored on an ongoing basis by the dedicated management of RMH Property and reported on at the quarterly board meetings.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 22 Management of financial risk continued

The following table provides a breakdown of the gross credit exposure across geographical areas:

| R million                 | As at 31 March |          |              |              |           |              |
|---------------------------|----------------|----------|--------------|--------------|-----------|--------------|
|                           | 2023           |          |              | 2022         |           |              |
|                           | South Africa   | Europe   | Total        | South Africa | Europe    | Total        |
| <b>CONSOLIDATED</b>       |                |          |              |              |           |              |
| Cash and cash equivalents | 94             | –        | 94           | 76           | –         | 76           |
| Loans and receivables     | 209            | –        | 209          | 164          | 23        | 187          |
| Investment securities     | 772            | –        | 772          | 1 033        | –         | 1 033        |
|                           | <b>1 075</b>   | <b>–</b> | <b>1 075</b> | <b>1 273</b> | <b>23</b> | <b>1 296</b> |
| <b>COMPANY</b>            |                |          |              |              |           |              |
| Cash and cash equivalents | 80             | –        | 80           | 65           | –         | 65           |
| Loans and receivables     | 4              | –        | 4            | 1            | –         | 1            |
|                           | <b>84</b>      | <b>–</b> | <b>84</b>    | <b>66</b>    | <b>–</b>  | <b>66</b>    |

### Liquidity risk and asset/liability matching

Liquidity risk is the risk that RMH will encounter difficulty in meeting obligations associated with financial liabilities. RMH's liabilities are matched with appropriate liquid assets. The group's liquidity and ability to meet cash calls are monitored at the quarterly board meetings.

### Contractual discounted cash flow analysis

| R million                                   | CONSOLIDATED |               |              |              |               |              |
|---|--------------|---------------|--------------|--------------|---------------|--------------|
|   | 0 – 6 months | 7 – 24 months | 2 – 5 years  | Over 5 years | Non-financial | Total        |
| <b>As at 31 March 2023</b>                  |              |               |              |              |               |              |
| Cash and cash equivalents                   | 94           | –             | –            | –            | –             | 94           |
| Investment securities                       | 675          | –             | 97           | –            | –             | 772          |
| Loans and receivables                       | 5            | 133           | 71           | –            | –             | 209          |
| Taxation receivable                         | –            | –             | –            | –            | 3             | 3            |
| Investment in associates and joint ventures | –            | –             | –            | –            | 448           | 448          |
| Trade and other payables                    | (37)         | –             | –            | –            | –             | (37)         |
| Provisions                                  | –            | –             | –            | –            | (61)          | (61)         |
| Taxation payable                            | –            | –             | –            | –            | (1)           | (1)          |
| Long-term liabilities                       | –            | –             | –            | –            | (11)          | (11)         |
| <b>Net liquidity gap</b>                    | <b>737</b>   | <b>133</b>    | <b>168</b>   | <b>–</b>     | <b>378</b>    | <b>1 416</b> |
| <b>Cumulative liquidity gap</b>             | <b>737</b>   | <b>870</b>    | <b>1 038</b> | <b>1 038</b> | <b>1 416</b>  | <b>1 416</b> |
| <b>As at 31 March 2022</b>                  |              |               |              |              |               |              |
| Cash and cash equivalents                   | 76           | –             | –            | –            | –             | 76           |
| Investment securities                       | 922          | –             | 111          | –            | –             | 1 033        |
| Loans and receivables                       | 1            | –             | 186          | –            | –             | 187          |
| Investment in associates and joint ventures | –            | –             | –            | –            | 2 683         | 2 683        |
| Trade and other payables                    | (32)         | –             | –            | –            | –             | (32)         |
| Provisions                                  | –            | –             | –            | –            | (1)           | (1)          |
| Financial liabilities                       | –            | (7)           | –            | –            | –             | (7)          |
| Long-term liabilities                       | –            | –             | –            | –            | (29)          | (29)         |
| <b>Net gap</b>                              | <b>967</b>   | <b>(7)</b>    | <b>297</b>   | <b>–</b>     | <b>2 653</b>  | <b>3 910</b> |
| <b>Cumulative liquidity gap</b>             | <b>967</b>   | <b>960</b>    | <b>1 257</b> | <b>1 257</b> | <b>3 910</b>  | <b>3 910</b> |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 22 Management of financial risk continued

COMPANY

| R million                       | 0 – 6 months | 7 – 24 months | 2 – 5 years | Over 5 years | Non-financial | Total        |
|---------------------------------|--------------|---------------|-------------|--------------|---------------|--------------|
| <b>As at 31 March 2023</b>      |              |               |             |              |               |              |
| Cash and cash equivalents       | 80           | –             | –           | –            | –             | 80           |
| Loans and receivables           | 4            | –             | –           | –            | –             | 4            |
| Taxation receivable             | –            | –             | –           | –            | 2             | 2            |
| Investment in subsidiaries      | –            | –             | –           | –            | 1 229         | 1 229        |
| Trade and other payables        | (31)         | –             | –           | –            | –             | (31)         |
| Provisions                      | –            | –             | –           | –            | (58)          | (58)         |
| Financial liabilities           | (4)          | –             | –           | –            | –             | (4)          |
| Long-term liabilities           | –            | –             | –           | –            | (1)           | (1)          |
| <b>Net liquidity gap</b>        | <b>49</b>    | <b>–</b>      | <b>–</b>    | <b>–</b>     | <b>1 172</b>  | <b>1 221</b> |
| <b>Cumulative liquidity gap</b> | <b>49</b>    | <b>49</b>     | <b>49</b>   | <b>49</b>    | <b>1 221</b>  | <b>1 221</b> |
| <b>As at 31 March 2022</b>      |              |               |             |              |               |              |
| Cash and cash equivalents       | 65           | –             | –           | –            | –             | 65           |
| Loans and receivables           | 1            | –             | –           | –            | –             | 1            |
| Investment in subsidiaries      | –            | –             | –           | –            | 3 177         | 3 177        |
| Trade and other payables        | (29)         | –             | –           | –            | –             | (29)         |
| Financial liabilities           | –            | (7)           | –           | –            | –             | (7)          |
| Long-term liabilities           | –            | –             | –           | –            | (18)          | (18)         |
| <b>Net liquidity gap</b>        | <b>37</b>    | <b>(7)</b>    | <b>–</b>    | <b>–</b>     | <b>3 159</b>  | <b>3 189</b> |
| <b>Cumulative liquidity gap</b> | <b>37</b>    | <b>30</b>     | <b>30</b>   | <b>30</b>    | <b>3 189</b>  | <b>3 189</b> |



NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 22 Management of financial risk continued

### Non-discounted cash flow analysis

| CONSOLIDATED               |                 |                  |                |            |
|----------------------------|-----------------|------------------|----------------|------------|
| R million                  | 0 – 6<br>months | 7 – 24<br>months | 2 – 5<br>years | Total      |
| <b>As at 31 March 2023</b> |                 |                  |                |            |
| Trade and other payables   | 32              | –                | –              | 32         |
| Provisions                 | 61              | –                | –              | 61         |
| Taxation payable           | 1               | –                | –              | 1          |
| Financial guarantees       | 489             | –                | –              | 489        |
| Long-term liabilities      | –               | –                | 11             | 11         |
| <b>Total liabilities</b>   | <b>583</b>      | <b>–</b>         | <b>11</b>      | <b>594</b> |
| <b>As at 31 March 2022</b> |                 |                  |                |            |
| Trade and other payables   | 32              | –                | –              | 32         |
| Provisions                 | 1               | –                | –              | 1          |
| Financial guarantees       | –               | 534              | –              | 534        |
| Long-term liabilities      | –               | –                | 29             | 29         |
| <b>Total liabilities</b>   | <b>33</b>       | <b>534</b>       | <b>29</b>      | <b>596</b> |

| COMPANY                    |                 |                  |                |            |
|----------------------------|-----------------|------------------|----------------|------------|
| R million                  | 0 – 6<br>months | 7 – 24<br>months | 2 – 5<br>years | Total      |
| <b>As at 31 March 2023</b> |                 |                  |                |            |
| Trade and other payables   | 31              | –                | –              | 31         |
| Provisions                 | 58              | –                | –              | 58         |
| Financial guarantees       | 489             | –                | –              | 489        |
| Long-term liabilities      | –               | –                | 1              | 1          |
| <b>Total liabilities</b>   | <b>578</b>      | <b>–</b>         | <b>1</b>       | <b>579</b> |
| <b>As at 31 March 2022</b> |                 |                  |                |            |
| Trade and other payables   | 29              | –                | –              | 29         |
| Financial guarantees       | –               | 534              | –              | 534        |
| Long-term liabilities      | –               | –                | 18             | 18         |
| <b>Total liabilities</b>   | <b>29</b>       | <b>534</b>       | <b>18</b>      | <b>581</b> |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 22 Management of financial risk continued

The following table analyses the assets in the statements of financial position per category of financial instrument and by measurement basis.

| CONSOLIDATED                                |   |                      |                             |                            |
|---|---|----------------------|-----------------------------|----------------------------|
| R million                                   | At fair value<br>through<br>profit or loss<br>(mandatory) | At amortised<br>cost | Non-financial<br>instrument | Total<br>carrying<br>value |
| <b>As at 31 March 2023</b>                  |   |                      |                             |                            |
| Cash and cash equivalents                   | –   | 94                   | –                           | 94                         |
| Investment securities                       | 772   | –                    | –                           | 772                        |
| Loans and receivables                       | –   | 209                  | –                           | 209                        |
| Taxation receivable                         | –   | –                    | 3                           | 3                          |
| Investment in associates and joint ventures | –   | –                    | 448                         | 448                        |
| <b>Total assets</b>                         | <b>772</b>  | <b>303</b>           | <b>451</b>                  | <b>1 526</b>               |
| <b>As at 31 March 2022</b>                  |   |                      |                             |                            |
| Cash and cash equivalents                   | –   | 76                   | –                           | 76                         |
| Investment securities                       | 1 033   | –                    | –                           | 1 033                      |
| Loans and receivables                       | 23  | 164                  | –                           | 187                        |
| Investment in associates and joint ventures | –   | –                    | 2 683                       | 2 683                      |
| <b>Total assets</b>                         | <b>1 056</b>  | <b>240</b>           | <b>2 683</b>                | <b>3 979</b>               |
| COMPANY                                     |   |                      |                             |                            |
| R million                                   | At fair value<br>through<br>profit or loss<br>(mandatory) | At amortised<br>cost | Non-financial<br>instrument | Total<br>carrying<br>value |
| <b>As at 31 March 2023</b>                  |   |                      |                             |                            |
| Cash and cash equivalents                   | –   | 80                   | –                           | 80                         |
| Loans and receivables                       | –   | 4                    | –                           | 4                          |
| Taxation receivable                         | –   | 2                    | –                           | 2                          |
| Investment in subsidiaries                  | –   | –                    | 1 229                       | 1 229                      |
| <b>Total assets</b>                         | <b>–</b>  | <b>86</b>            | <b>1 229</b>                | <b>1 315</b>               |
| <b>As at 31 March 2022</b>                  |   |                      |                             |                            |
| Cash and cash equivalents                   | –   | 65                   | –                           | 65                         |
| Loans and receivables                       | –   | 1                    | –                           | 1                          |
| Investment in subsidiaries                  | –   | –                    | 3 177                       | 3 177                      |
| <b>Total assets</b>                         | <b>–</b>  | <b>66</b>            | <b>3 177</b>                | <b>3 243</b>               |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 22 Management of financial risk continued

The following table analyses the liabilities in the statements of financial position per category of financial instrument and by measurement basis:

| CONSOLIDATED               |  |   |                          |                      |
|----------------------------|--|---|--------------------------|----------------------|
| R million                  | At fair value through profit or loss (mandatory) | Financial liabilities at amortised cost | Non-financial instrument | Total carrying value |
| <b>As at 31 March 2023</b> |  |   |                          |                      |
| Trade and other payables   | –  | 32                                      | –                        | 32                   |
| Provisions                 | –  | –                                       | 61                       | 61                   |
| Taxation payable           | –  | –                                       | 1                        | 1                    |
| Financial liabilities      | 5  | –                                       | –                        | 5                    |
| Long-term liabilities      | –  | –                                       | 11                       | 11                   |
| <b>Total liabilities</b>   | <b>5</b>   | <b>32</b>                               | <b>73</b>                | <b>110</b>           |
| <b>As at 31 March 2022</b> |  |   |                          |                      |
| Trade and other payables   | –  | 32                                      | –                        | 32                   |
| Provisions                 | –  | –                                       | 1                        | 1                    |
| Taxation payable           | –  | –                                       | 2                        | 2                    |
| Financial liabilities      | 7  | –                                       | –                        | 7                    |
| Long-term liabilities      | –  | –                                       | 29                       | 29                   |
| <b>Total liabilities</b>   | <b>7</b>   | <b>32</b>                               | <b>32</b>                | <b>71</b>            |

| COMPANY                    |  |   |                          |                      |
|----------------------------|--|---|--------------------------|----------------------|
| R million                  | At fair value through profit or loss (mandatory) | Financial liabilities at amortised cost | Non-financial instrument | Total carrying value |
| <b>As at 31 March 2023</b> |  |   |                          |                      |
| Trade and other payables   | –  | 31                                      | –                        | 31                   |
| Provisions                 | –  | –                                       | 58                       | 58                   |
| Financial liabilities      | 4  | –                                       | –                        | 4                    |
| Long-term liabilities      | –  | –                                       | 1                        | 1                    |
| <b>Total liabilities</b>   | <b>4</b>   | <b>31</b>                               | <b>59</b>                | <b>94</b>            |
| <b>As at 31 March 2022</b> |  |   |                          |                      |
| Trade and other payables   | –  | 29                                      | –                        | 29                   |
| Financial liabilities      | 7  | –                                       | –                        | 7                    |
| Long-term liabilities      | –  | –                                       | 18                       | 18                   |
| <b>Total liabilities</b>   | <b>7</b>   | <b>29</b>                               | <b>18</b>                | <b>54</b>            |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 22 Management of financial risk continued

### Capital management

RMH is not regulated by the Financial Sector Regulation Act, Act 9 of 2017, and does not have to meet any minimum regulatory capital requirements. Capital is therefore managed within a set risk appetite, taking into account the capital and liquidity requirements and commitments of the group. RMH defines capital as issued share capital plus accumulated reserves available for distribution.

|  | CONSOLIDATED   |              |
|--|----------------|--------------|
|  | As at 31 March |              |
| R million                                      | 2023           | 2022         |
| Share capital and premium                      | 8 574          | 8 825        |
| Retained loss                                  | (7 236)        | (6 650)      |
| <b>Capital</b>                                 | <b>1 338</b>   | <b>2 175</b> |
| Cash and cash equivalents to capital ratio (%) | 7              | 3            |
| Liabilities to capital ratio (%)               | 8              | 3            |

## 23 Share-based payments

|  | CONSOLIDATED   |           | COMPANY   |           |
|--|----------------|-----------|-----------|-----------|
|  | As at 31 March |           |           |           |
| R million                              | 2023           | 2022      | 2023      | 2022      |
| RMH share appreciation rights scheme   | 1              | 18        | 1         | 18        |
| RMH management participation structure | 10             | 11        | –         | –         |
| <b>Long-term liabilities</b>           | <b>11</b>      | <b>29</b> | <b>1</b>  | <b>18</b> |
| RMH Property equity-settled structure  | 2              | 14        | –         | –         |
| RMH forfeitable share plan             | 15             | 1         | 15        | 1         |
| <b>Share-base payment reserve</b>      | <b>17</b>      | <b>15</b> | <b>15</b> | <b>1</b>  |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 23 Share-based payments continued

### 23.1 RMH share appreciation rights

RMH operates a share scheme as part of its remuneration philosophy, which tracks the RMH share price and settles in cash.

#### Description

The purpose of this scheme is to provide employees, including executive directors, with the opportunity of receiving incentive remuneration payments based on the increase in the market value of RMH shares.

Appreciation rights may only be exercised by the third, fourth and fifth anniversary of the grant date in equal tranches of one-third each, provided that the performance objectives set for the grant have been achieved. All share grants have a maximum exercise period of seven years.

The table below summarises the performance objectives set for the 2020 grant as revised in 2021, which was the first since the FirstRand unbundling:

| Performance objective  | Weighting of benchmark applied grant | Percentage of grant vesting should the performance objective be achieved | Cumulative percent of grant vesting if not 0% |
|--|--------------------------------------|--|---|
| Total shareholders' return is 83% of nominal GDP growth                                | 30%                                  | 15%  |   |
| Increase in net asset value is a compound annual growth rate of 9.02% for three years  | 15%                                  | 7.5%   |   |
| Monetisation of asset (see below scale)  | 15%                                  | 7.5%   |   |
| <b>Proportion of award accrued to participant</b>                                      |                                      |  | <b>30%</b>                                    |
| Total shareholders' return = nominal GDP growth  | 30%                                  | 22.50%   |   |
| Increase in net asset value is a compound annual growth rate of 10.83% for three years | 15%                                  | 11.25%   |   |
| Monetisation of asset (see below scale)  | 15%                                  | 11.25%   |   |
| <b>Proportion of award accrued to participant</b>                                      |                                      |  | <b>45%</b>                                    |
| Total shareholders' return is 117% of nominal GDP growth                               | 30%                                  | 30.00%   |   |
| Increase in net asset value is a compound annual growth rate of 12.63% for three years | 15%                                  | 15.00%   |   |
| Monetisation of asset (see below scale)  | 15%                                  | 15.00%   |   |
| <b>Proportion of award accrued to participant</b>                                      |                                      |  | <b>60%</b>                                    |
| Total shareholders' return is 136% of nominal GDP growth                               | 30%                                  | 37.50%   |   |
| Increase in net asset value is a compound annual growth rate of 14.73% for three years | 15%                                  | 18.75%   |   |
| Monetisation of asset (see below scale)  | 15%                                  | 18.75%   |   |
| <b>Proportion of award accrued to participant</b>                                      |                                      |  | <b>75%</b>                                    |
| Total shareholders' return is 159% of nominal GDP growth                               | 30%                                  | 45.00%   |   |
| Increase in net asset value is a compound annual growth rate of 17.19% for three years | 15%                                  | 22.50%   |   |
| Monetisation of asset (see below scale)  | 15%                                  | 22.50%   |   |
| <b>Proportion of award accrued to participant</b>                                      |                                      |  | <b>90%</b>                                    |
| Total shareholder's return is 185% of nominal GDP growth                               | 30%                                  | 52.50%   |   |
| Increase in net asset value is a compound annual growth rate of 20.05% for three years | 15%                                  | 26.25%   |   |
| Monetisation of asset (see below scale)  | 15%                                  | 26.25%   |   |
| <b>Proportion of award accrued to participant</b>                                      |                                      |  | <b>105%</b>                                   |
| Total shareholders' return is 216% of nominal GDP growth                               | 30%                                  | 60.00%   |   |
| Increase in net asset value is a compound annual growth rate of 23.39% for three years | 15%                                  | 30.00%   |   |
| Monetisation of asset (see below scale)  | 15%                                  | 30.00%   |   |
| <b>Proportion of award accrued to participant</b>                                      |                                      |  | <b>120%</b>                                   |
| <b>Portion of award under remuneration committee discretion</b>                        | <b>40%</b>                           | <b>40%</b>   | <b>40%</b>                                    |
| <b>Maximum percentage of grant that can vest should outperformance criteria be met</b> |                                      |  | <b>160%</b>                                   |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 23 Share-based payments continued

|  | Percentage of allocation vesting (%) |
|--|--------------------------------------|
| Monetisation of underlying asset per asset                               |                                      |
| Not sold   | –                                    |
| Monetisation approved by the RMH board                                   | 3.75                                 |
| Monetised at 45% to 60% of gross net asset value (NAV) by September 2022 | 3.75 (for 45%) – 7.5 (for 60%)       |
| Monetised at 60% to 75% of gross NAV by September 2023                   | 3.75 (for 60%) – 7.5 (for 75%)       |
| Monetised at 75% to 90% of gross NAV by September 2024                   | 3.75 (for 75%) – 7.5 (for 90%)       |
| Monetised at 90% to 100% of gross NAV by September 2025                  | 3.75 (for 90%) – 7.5 (for 100%)      |

### Valuation methodology

The share appreciation rights scheme issues are valued using the Cox-Rubinstein binomial tree. The scheme is cash-settled and will thus be repriced at each reporting date.

Market and dividend data consist of the following:

- Volatility is the expected volatility over the period of the option. Historical volatility was used as a proxy for expected volatility.
- The interest rate is the risk-free rate of return, as recorded on the last day of the financial year, on a swap curve of a term equal to the expected life of the share appreciation right.
- A fixed dividend yield of zero was assumed.

### Employee statistic assumptions

- No forfeiture rate is used due to the limited number of employees participating in the scheme.

### Performance conditions:

- Nominal GDP predictions as supplied by Statistics SA are used.
- The future share price is determined by applying a consistent discount to net asset value per share and is used to measure total shareholders' return.
- The net asset value per share is determined by using assumptions on underlying net asset value growth of the underlying investment of RMH Property.
- The monetisation of assets is based on historical offers received and the assumption made on the possibility of the realisation occurring during the vesting period.

|   | As at 31 March |            |
|---|----------------|------------|
|   | 2023           | 2022       |
| Input in determination of liability           |                |            |
| Number of options granted                     | 26 284 329     | 40 264 165 |
| Strike price of option granted (cents)        | 115            | 115        |
| Share price on 31 March (cents)               | 49             | 162        |
| Risk-free rate                                | 7.97%          | 7.15%      |
| Volatility rate                               | 31.16%         | 57.66%     |
| Assessment of performance objectives achieved | 100.00%        | 110.00%    |
| Number of days lapsed since grant date        | 917            | 552        |

### CONSOLIDATED AND COMPANY

|   | As at 31 March |         |
|---|----------------|---------|
|   | 2023           | 2022    |
| R million   |                |         |
| Opening balance   | 18             | 7       |
| Amount paid out due to RMI restructure (Release)/charge to the income statement | (10)<br>(7)    | –<br>11 |
| Long-term liabilities   | 1              | 18      |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 23 Share-based payments continued

### 23.2 RMH management participation structure

In 2018, RMH implemented a management participation structure upon the activation of the portfolio and the establishment of the RMH Property portfolio. The aim of the structure is to align the interests of management with those of shareholders and establish a long-term focus.

|   | CONSOLIDATED   |      |
|---|----------------|------|
|   | As at 31 March |      |
| R million                                 | 2023           | 2022 |
| Opening balance                           | 11             | 12   |
| (Released)/charge to the income statement | (1)            | (1)  |
| <b>Long-term liabilities</b>              | <b>10</b>      | 11   |

#### Description of the structure

The purpose of this structure is to provide participants, including executive directors, with the opportunity to participate in the creation of long-term value in the RMH Property portfolio after RMH has been compensated for the capital it provides. The structure rewards the participants in accordance with the outperformance of the relevant investments over a hurdle rate and supports long-term retention.

Vesting occurs on day one and the structure has no exercise period. There are no further performance conditions attached.

Monetisation of the structure occurs after 10 years through a put option to RMH, available for 365 days, or through the realisation of the underlying investment, whichever occurs first. The structure is not settled in RMH shares. The board has discretion concerning:

- the allocation per individual participant;
- the hurdle rate per individual participant per individual allocation;
- good leaver principles, should a participant leave before the monetisation of the underlying investment; and
- the maximum exposure provided to the participants.

#### Valuation methodology

The following approach is followed:

##### Step 1 – Determine the value of the underlying investment

RMH Property and its underlying investments were valued at their carrying values.

##### Step 2 – Determine value per share

A value per share is determined by dividing the proportionate value of the underlying investment by the number of shares.

##### Step 3 – Calculate cost per share

A cost per share is then calculated by taking the capital amount injected and accruing the agreed-upon hurdle rate on the amount. These numbers are added and divided by the number of shares.

##### Step 4 – Determine the value of the liability

The value per share calculated in Step 2 is reduced by the value per share calculated in Step 3. The determined value is then multiplied by the number of shares issued to participants to determine the value of the liability. An increase in the value of the liability leads to the charge of a share-based payment expense in profit or loss. If the value of the liability decreases, a negative share-based payment expense is charged to profit or loss.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 23 Share-based payments continued

### 23.2 RMH management participation structure continued

|  | CONSOLIDATED     |                  |
|--|------------------|------------------|
|  | As at 31 March   |                  |
| R million  | 2023             | 2022             |
| Gross value  | 51               | 164              |
| Notional loan value  | (85)             | (206)            |
| Adjustment made due to different participation percentages by different participants and different hurdle rates: Portfolio effect adjustment | 44               | 51               |
| <b>Balance (limited to zero)</b>   | <b>10</b>        | <b>9</b>         |
| Total number of participants   | 6                | 6                |
| Total number of shares issued to participants:   |                  |                  |
| Balance at the beginning of the year   | 1 292 041        | 1 292 041        |
| <b>Number of shares at the end of the year</b>   | <b>1 292 041</b> | <b>1 292 041</b> |

### 23.3 RMH Property equity-settled structure

RMH extended a loan to Brian Roberts, the CEO of RMH Property, to acquire ordinary shares in RMH Property Holdings Proprietary Limited. The shares acquired serve as collateral for the loan. The loan met the requirements of an equity-settled share-based payment transaction per *IFRS 2: Share-based Payments*.

The arrangements do not have any vesting or performance conditions attached. The terms of the loan were agreed upon upfront when Brian Roberts was appointed as CEO of RMH Property.

| Terms of loan               | Detail  |
|-----------------------------|---|
| Maximum exposure            | R50 million                                     |
| Interest rate               | SARS official interest rate capitalised monthly |
| Repayment date              | No fixed repayment date                         |
| Current capital utilisation | R26 million                                     |

|   | CONSOLIDATED   |         |
|---|----------------|---------|
|   | As at 31 March |         |
|   | 2023           | 2022    |
| Number of shares at the beginning of the year | 751 793        | 751 793 |
| Number of shares at the end of the year       | 751 793        | 751 793 |
| % of RMH Property                             | 1.48%          | 1.48%   |



NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 23 Share-based payments continued

### 23.4 RMH forfeitable share plan

During the prior year, RMH introduced a new long-term share scheme as part of its remuneration philosophy, which tracks the RMH share price and settles in equity.

#### Description

The purpose of this scheme is to provide employees, including executive directors with the opportunity of receiving incentive remuneration payments based on the increase in the market value of RMH's shares.

The forfeitable share plan was implemented as a result of the special dividend declared in April 2021. Instead of adjusting the strike price and the number of awards, the remuneration committee approved the grant of a new instrument of the forfeitable shares to compensate participants for the fair value foregone. The forfeitable shares may only be exercised by the third, fourth and fifth anniversary of the grant date in equal tranches of one-third each, provided that the performance objectives set for the grant have been achieved. All awards have a maximum exercise period of seven years. The performance conditions are the same as for the 2020 appreciation rights award. During the current year, as a result of the Atterbury Europe special dividend, the remaining participants were granted further forfeitable shares, using the same principles as for April 2021 special dividend.

RMH shares are bought in and placed in restrictive accounts on behalf of participants. These shares are treated as treasury shares in terms of IAS 32: *Financial Instruments – Presentation*. The expense raised is an indication of an increase in the fair value grant date spread over the vesting period. The shares bought is an economic hedge, the change in the fair value of the equity-settled instrument is offset by the increase in the value of the treasury share.

#### Valuation methodology

The forfeitable shares are valued using the Cox-Ross-Rubinstein binomial tree method on grant date. The scheme is equity-settled and will not be repriced at each reporting date but the fair value at grant date will be recognised over the vesting period.

#### Employee statistic assumptions

- No forfeiture rate is used due to the limited number of employees participating in the scheme.

#### Performance conditions

- Nominal GDP predictions as supplied by Statistics SA are used.
- The future share price is determined by applying a consistent discount to NAV per share and is used to measure total shareholders' return.
- The net asset value per share is determined by using assumptions on underlying NAV growth of the underlying investment of RMH Property.
- The monetisation of assets is based on historical offers received and the assumption made on the possibility of the realisation occurring during the vesting period.

|   | As at 31 March |            |
|---|----------------|------------|
|   | 2023           | 2022       |
| Input in determination of liability   |                |            |
| Number of forfeitable shares granted March 2022   | 22 999 407     | 22 999 407 |
| Number of forfeitable shares vested as a result of the sale of Atterbury Europe for remaining participants                                  | (1 217 349)    | –          |
| Number of forfeitable shares vested as a result of the sale of Atterbury Europe for exiting participants as a result of the RMI restructure | (5 062 524)    | –          |
| Number of forfeitable shares lapsed   | (1 705 556)    | –          |
| Balance of forfeitable shares granted March 2022  | 15 013 978     | 22 999 407 |
| Value per award   | 126            | 126        |
| Number of days lapsed since grant date  | 388            | 23         |
| Number of options granted November 2022   | 53 722 970     | –          |
| Value per award   | 58             | –          |
| Number of days lapsed since grant date  | 108            | –          |

CONSOLIDATED  
AND COMPANY

|                                | As at 31 March |      |
|--------------------------------|----------------|------|
| R million                      | 2023           | 2022 |
| Opening balance                | 1              | –    |
| Vested forfeitable shares      | (5)            | –    |
| Charge to the income statement | 20             | 1    |
| Share-based payment reserve    | 16             | 1    |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 24 Directors' and prescribed officer's emoluments

### Non-executive directors' emoluments

| R'000  | For the year ended 31 March  |              |                              |       |
|--|------------------------------|--------------|------------------------------|-------|
|  | Services as director<br>2023 |              | Services as director<br>2022 |       |
| <b>Non-executive</b>                         |                              |              |                              |       |
| Herman Bosman <sup>1</sup> (Acting chairman) | 52                           | 52           | –                            | –     |
| Sonja De Bruyn                               | 498                          | 498          | 486                          | 486   |
| Albertinah Kekana <sup>2,3</sup>             | –                            | –            | 12                           | 12    |
| Per Lagerström                               | 325                          | 325          | 311                          | 311   |
| Udo Lucht <sup>3</sup>                       | 225                          | 225          | 224                          | 224   |
| Mamongae Mahlare                             | 200                          | 200          | 191                          | 191   |
| Murphy Morobe                                | 299                          | 299          | 278                          | 278   |
| James Teeger                                 | 249                          | 249          | 239                          | 239   |
| <b>Total</b>                                 | <b>1 848</b>                 | <b>1 848</b> | 1 741                        | 1 741 |

#### Notes

- 1 Herman Bosman was appointed as a non-executive director effective 1 December 2022. He became the acting chairman effective 29 June 2023.
- 2 Resigned 24 March 2021.
- 3 Directors' fees for services rendered by Albertinah Kekana and Udo Lucht were paid to Royal Bafokeng Holdings Proprietary Limited.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 24 Directors' and prescribed officer's emoluments continued

### Executive director's and prescribed officer's emoluments, participation in the RMH share schemes and the ownership participation structure

| Rand                      | Cash package <sup>1</sup> | Retirement benefits <sup>2</sup> | Other benefits <sup>3</sup> | RMH share schemes <sup>4</sup> | RMH share schemes unvested pro-rated <sup>5</sup> | For the year ended 31 March 2023 | Cash package <sup>1</sup> | Retirement benefits <sup>2</sup> | Other benefits <sup>3</sup> | RMH share schemes <sup>4</sup> | For the year ended 31 March 2022 |
|---------------------------|---------------------------|----------------------------------|-----------------------------|--------------------------------|---|----------------------------------|---------------------------|----------------------------------|-----------------------------|--------------------------------|----------------------------------|
| Herman Bosman             | 680 758                   | 56 799                           | 14 751                      | 617 936                        | 14 559 515  | 15 929 759                       | 1 310 515                 | 125 139                          | 50 390                      | –                              | 1 486 044                        |
| Brian Roberts             | 4 061 341                 | –                                | 24 667                      | 1 198 178                      | –   | 5 284 186                        | 3 993 812                 | –                                | 24 667                      | –                              | 4 018 479                        |
| Ellen Marais <sup>6</sup> | 1 392 433                 | –                                | –                           | 492 951                        | –   | 1 885 384                        | –                         | –                                | –                           | –                              | –                                |

1 10% of Herman Bosman's salary paid by RMI is recouped from RMH in terms of a service level agreement (SLA).

2 10% of Herman Bosman's pension and provident fund contributions paid by RMI are recouped from RMH in terms of an SLA.

3 10% of Herman Bosman's cell phone allowance and medical aid contributions paid by RMI are recouped from RMH in terms of an SLA.

4 This includes the value of share appreciation rights and forfeitable shares granted which vested and were exercised in the 12 months following the end of the reporting period.

5 This includes the value of share appreciation rights and forfeitable shares granted performance tested but for which vesting was accelerated as a result of the termination of employment due to the RMI restructuring.

6 Ellen Marais replaced Herman Bosman as financial director effective 1 December 2022. Her employment with RMI was terminated effective 30 November 2022 and she transferred to RMH on a full-time basis effective her appointment date.

### Executive director's and prescribed officer's participation in RMH share appreciation rights scheme

| RMH share appreciation rights | Strike price (cents) | Vesting date      | Opening balance as at 1 April 2022 000's | Issued 000's | Cancelled 000's | Exercised 000's | Closing balance as at 31 March 2023 000's | Benefit derived <sup>7</sup> R'000 |
|-------------------------------|----------------------|-------------------|--|--------------|-----------------|-----------------|---|------------------------------------|
| Herman Bosman                 | 115                  | 25 September 2023 | 3 043                                    | –            | (767)           | (2 276)         | –   | 130                                |
|                               | 115                  | 25 September 2024 | 3 043                                    | –            | (767)           | (2 276)         | –   | 130                                |
|                               | 115                  | 25 September 2025 | 3 043                                    | –            | (766)           | (2 277)         | –   | 131                                |
| Brian Roberts                 | 115                  | 25 September 2023 | 6 711                                    | –            | –               | (503)           | 6 208                                     | 29                                 |
|                               | 115                  | 25 September 2024 | 6 711                                    | –            | –               | (503)           | 6 208                                     | 29                                 |
|                               | 115                  | 25 September 2025 | 6 711                                    | –            | –               | (504)           | 6 207                                     | 29                                 |
| Ellen Marais                  | 115                  | 25 September 2023 | 2 761                                    | –            | –               | (207)           | 2 554                                     | 12                                 |
|                               | 115                  | 25 September 2024 | 2 761                                    | –            | –               | (207)           | 2 554                                     | 12                                 |
|                               | 115                  | 25 September 2025 | 2 761                                    | –            | –               | (207)           | 2 554                                     | 12                                 |

7 It is the amount paid to the participant in the current year. Please refer to note 23 for the liability created for the unvested share appreciation rights.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 24 Directors' and prescribed officer's emoluments continued

### Executive director's and prescribed officer's participation in RMH management participation structure and RMH Property equity-settled share-based payment transactions

|               |   | Number of shares granted |           | Percentage holding (%) |      | Value R'000 |      |
|---------------|---|--------------------------|-----------|------------------------|------|-------------|------|
|               |   | As at 31 March           |           |                        |      |             |      |
|               |   | 2023                     | 2022      | 2023                   | 2022 | 2023        | 2022 |
| Herman Bosman | RMH Prop Holdco 1 Proprietary Limited     | 265                      | 265       | 2.5                    | 2.5  | -           | -    |
|               | RMH Prop Holdco 2 Proprietary Limited     | 700                      | 700       | 1.4                    | 1.4  | -           | -    |
|               | RMH Prop Holdco 3 Proprietary Limited     | 450                      | 450       | 2.5                    | 2.5  | -           | -    |
|               | RMH Prop Holdco 4 Proprietary Limited     | 1 250                    | 1 250     | 2.5                    | 2.5  | -           | -    |
|               | RMH Prop Holdco 5 Proprietary Limited     | 1 350                    | 1 350     | 1.4                    | 1.40 | -           | -    |
| Brian Roberts | RMH Property Holdings Proprietary Limited | 1 280 080                | 1 280 080 | 2.5                    | 2.5  | -           | -    |
|               | RMH Property Holdings Proprietary Limited | 751 793                  | 751 793   | 1.5                    | 1.5  | -           | -    |
| Total         |   |                          |           | 4.0                    | 4.0  | -           | -    |

### Executive director's and prescribed officer's participation in RMH forfeitable share plan

| RMH forfeitable shares | Vesting date      | Opening balance as at 1 April 2022 000's |              |                 |                 | Closing balance as at 31 March 2023 000's | Benefit derived <sup>7</sup> R'000 |
|------------------------|-------------------|--|--------------|-----------------|-----------------|---|------------------------------------|
|                        |                   |  | Issued 000's | Cancelled 000's | Exercised 000's |   |                                    |
| Herman Bosman          | 25 September 2023 | 1 738                                    | -            | (438)           | (1 300)         | -   | 2 430                              |
|                        | 25 September 2024 | 1 738                                    | -            | (438)           | (1 300)         | -   | 2 430                              |
|                        | 25 September 2025 | 1 738                                    | -            | (437)           | (1 301)         | -   | 2 430                              |
| Brian Roberts          | 25 September 2023 | 3 833                                    | 12 688       | -               | (288)           | 16 233                                    | 371                                |
|                        | 25 September 2024 | 3 833                                    | 12 688       | -               | (288)           | 16 233                                    | 371                                |
|                        | 25 September 2025 | 3 833                                    | 12 688       | -               | (287)           | 16 234                                    | 370                                |
| Ellen Marais           | 25 September 2023 | 1 577                                    | 5 220        | -               | (118)           | 6 679                                     | 152                                |
|                        | 25 September 2024 | 1 577                                    | 5 220        | -               | (118)           | 6 679                                     | 152                                |
|                        | 25 September 2025 | 1 577                                    | 5 220        | -               | (119)           | 6 678                                     | 153                                |

<sup>7</sup> It is the amount paid to the participant in the current year. Please refer to notes 7 and 23 for the reserve created for all unvested forfeitable shares.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 25 Notes to the consolidated and separate statements of cash flows

| R million  | CONSOLIDATED                |           | COMPANY     |             |
|--|-----------------------------|-----------|-------------|-------------|
|  | For the year ended 31 March |           |             |             |
|  | 2023                        | 2022      | 2023        | 2022        |
| <b>25.1 Cash flows from operating activities</b>                             |                             |           |             |             |
| Reconciliation of (loss)/income before tax to cash generated from operations |                             |           |             |             |
| (Loss)/profit before tax   | (419)                       | 629       | 49          | 997         |
| Adjusted for:  |                             |           |             |             |
| Share of profit of associates including impairments                          | (126)                       | (613)     | –           | –           |
| Loss on sale of Atterbury Europe excluding transaction costs                 | 569                         | –         | –           | –           |
| Impairment of subsidiary   | –                           | –         | 1 948       | –           |
| ECL created/(reversed) on loan to associate                                  | 3                           | (1)       | –           | –           |
| Interest accrual from associate reversed                                     | (17)                        | (12)      | –           | –           |
| Increase in provisions   | 9                           | –         | 8           | –           |
| Share-based payment (release)/accrual  | (8)                         | 16        | (7)         | 12          |
| Share-based payment made   | (10)                        | –         | –           | –           |
| Interest income  | (16)                        | (4)       | (6)         | (3)         |
| Dividend income  | –                           | –         | (2 033)     | (1 025)     |
| Unrealised fair value adjustment   | 16                          | 7         | (3)         | 3           |
| Changes in working capital   |                             |           |             |             |
| – Current receivables and prepayments  | (4)                         | –         | (3)         | –           |
| – Current payables   | –                           | 2         | 2           | 1           |
| <b>Cash generated from/(invested in) operations</b>                          | <b>(3)</b>                  | <b>24</b> | <b>(45)</b> | <b>(15)</b> |
| <b>25.2 Net debt reconciliation</b>  |                             |           |             |             |
| Cash and cash equivalents  | 94                          | 76        | 80          | 65          |
| <b>Net debt</b>  | <b>94</b>                   | <b>76</b> | <b>80</b>   | <b>65</b>   |
| <b>Net debt</b>  |                             |           |             |             |
| Opening balance  | 76                          | 980       | 65          | 579         |
| Movement in cash and cash equivalents  | 18                          | (904)     | 15          | (514)       |
| <b>Net debt</b>  | <b>94</b>                   | <b>76</b> | <b>80</b>   | <b>65</b>   |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

## 26 Going concern

The consolidated and separate annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The directors have satisfied themselves that the group and the company are in a sound financial position and that they have access to sufficient cash reserves and borrowing facilities over the next 12 months to meet their cash requirements. The directors are not aware of any new material changes that may adversely impact the group and/or the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group and/or the company.

In making the above assessment the directors considered the following:

### Solvency

As at 31 March 2023, the group had a positive net asset value of R1.4 billion (2022: R3.9 billion) and its current assets exceeded its current liabilities by R775 million (2022: R1.1 billion).

### Liquidity

As at 31 March 2023, the group had available liquidity of R206 million (2022: R392 million), comprising unrestricted cash, cash equivalents and listed unit trusts.

The directors have reviewed the group's and the company's cash flow forecasts for the next 24 months and, in light of this review and the current financial position, the directors believe that the group and the company have adequate financial resources to continue in operation for the ensuing 12-month period. Accordingly, the consolidated and separate annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The directors have satisfied themselves that the group and the company are in sound financial positions and that they have access to sufficient cash reserves over the next 12 months to meet their cash requirements. The directors are not aware of any new material changes that may adversely impact the group and/or the company.

## Shareholding

The shareholders of RMH are:

|  | As at 31 March 2023    |                     |            | As at 31 March 2022    |                     |            |
|--|------------------------|---------------------|------------|------------------------|---------------------|------------|
|  | Number of shareholders | Shares held (000's) | %          | Number of shareholders | Shares held (000's) | %          |
| <b>Major shareholders holding more than 5%</b> |                        |                     |            |                        |                     |            |
| Coronation Fund Managers                       |                        | 215 815             | 15         |                        | 76 113              | 5          |
| Royal Bafokeng Holdings                        |                        | 176 463             | 13         |                        | 176 463             | 13         |
| Visio Capital Management                       |                        | *                   | *          |                        | 120 930             | 9          |
| Sygnia Asset Management                        |                        | *                   | *          |                        | 124 042             | 9          |
| Steyn Capital Management                       |                        | 78 614              | 5          |                        | *                   | *          |
| SBG Securities                                 |                        | *                   | *          |                        | 92 548              | 7          |
| Shareholders holding more than 5% each         |                        | 470 892             | 33         |                        | 590 096             | 43         |
| Shareholders holding less than 5% each         |                        | 940 811             | 67         |                        | 821 607             | 57         |
| <b>Total</b>                                   |                        | <b>1 411 703</b>    | <b>100</b> |                        | <b>1 411 703</b>    | <b>100</b> |
| * Shareholding less than 5%                    |                        |                     |            |                        |                     |            |
| <b>Shareholder type</b>                        |                        |                     |            |                        |                     |            |
| Corporates and directors                       |                        | 246 026             | 17         |                        | 194 003             | 14         |
| Unit trusts                                    |                        | 290 149             | 21         |                        | 243 610             | 17         |
| Pension funds                                  |                        | 119 880             | 8          |                        | 153 066             | 11         |
| Insurance companies and banks                  |                        | 65 662              | 5          |                        | 124 214             | 9          |
| Individuals                                    |                        | 270 062             | 19         |                        | 138 282             | 10         |
| Other  |                        | 419 924             | 30         |                        | 558 528             | 39         |
| <b>Total</b>                                   |                        | <b>1 411 703</b>    | <b>100</b> |                        | <b>1 411 703</b>    | <b>100</b> |
| <b>Public and non-public shareholders</b>      |                        |                     |            |                        |                     |            |
| Public   | 59 865                 | 1 165 661           | 82         | 62 262                 | 1 217 702           | 86         |
| Non-public                                     |                        |                     |            |                        |                     |            |
| – Corporates                                   | 1                      | 176 463             | 13         | 1                      | 176 463             | 13         |
| – Directors and their associates               | 4                      | 69 579              | 5          | 3                      | 17 538              | 1          |
| <b>Total</b>                                   | <b>59 870</b>          | <b>1 411 703</b>    | <b>100</b> | <b>62 266</b>          | <b>1 411 703</b>    | <b>100</b> |
| <b>Geographic ownership</b>                    |                        |                     |            |                        |                     |            |
| South Africa                                   |                        | 1 362 807           | 96         |                        | 1 269 649           | 90         |
| International                                  |                        | 48 896              | 4          |                        | 142 054             | 10         |
| <b>Total</b>                                   |                        | <b>1 411 703</b>    | <b>100</b> |                        | <b>1 411 703</b>    | <b>100</b> |

## Administration

### 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

### Directors

HL Bosman (acting chairman), BM Roberts (CEO), (Ms) SEN De Bruyn, P Lagerström, UH Lucht, (Ms) MM Mahlare, (Ms) EJ Marais (financial director), 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 JSE Limited Listings Requirements)*

#### **BSM Sponsors Proprietary Limited**

**Physical address:** Jindal Africa Building, 22 Kildoon Road, Bryanston, 2191

### 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





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