

Statement of financial position

at 30 June 2021

R million	Notes	30 June 2021	30 June 2020
Assets			
Non-current assets			
Property, plant and equipment		16 765	16 845
Investment properties		124	109
Intangible assets	5	20 680	21 067
Investments – Equity accounted	6	50 207	50 991
– Financial assets at fair value through other comprehensive income (FVOCI)		14 342	12 505
Financial assets at fair value through profit and loss (FVPL)		214	309
Hedge derivatives		–	101
Retirement benefits		692	868
Long-term loans and debtors		146	181
Deferred taxation		208	190
		103 378	103 166
Current assets			
Inventories		12 621	12 032
Biological agricultural assets		955	805
Debtors and short-term loans		9 597	9 958
Loans to equity accounted investments		94	–
Financial assets at FVPL		83	11
Taxation		258	258
Investment in money market funds		5 010	4 945
Cash and cash equivalents		8 763	15 631
		37 381	43 640
Assets held for sale		7	293
Total assets		140 766	147 099
Equity and liabilities			
Stated capital		13 416	13 416
Reserves		75 204	73 921
Treasury shares		(561)	(564)
Shareholders' equity		88 059	86 773
Non-controlling interest		15 517	14 670
Total equity		103 576	101 443
Non-current liabilities			
Retirement benefits		136	141
Long-term loans	7	11 978	15 167
Lease liabilities		1 440	1 725
Deferred taxation		6 389	6 106
Hedge derivatives		160	–
Current liabilities		17 087	22 517
Trade and other payables		12 844	11 616
Short-term loans		3 401	10 158
Lease liabilities		275	310
Financial liabilities at FVPL		471	279
Taxation		96	154
Total equity and liabilities		140 766	147 099

Income statement

for the year ended 30 June 2021

R million	Notes	30 June 2021	30 June 2020
Continuing operations			
Revenue	13	65 803	54 732
Inventory expenses		(38 387)	(32 291)
Staff costs		(9 251)	(8 451)
Depreciation		(1 711)	(1 682)
Other net operating expenses		(12 005)	(10 763)
Trading profit		4 449	1 545
Dividend income		366	45
Interest received		446	862
Fair value adjustment on exchangeable bonds' option		–	2
Finance costs		(1 548)	(1 876)
Net impairment of investments, assets and goodwill		1 039	(4 234)
Loss allowances on loans		(205)	(290)
Bargain purchase gain		8	278
Profit on sale and dilution of investments		17	4 220
Consolidated profit before tax		4 572	552
Taxation		(1 135)	(452)
Consolidated profit after tax		3 437	100
Share of after-tax profit/(loss) of equity accounted investments	6	1 618	(2 272)
Net profit/(loss) for the year from continuing operations		5 055	(2 172)
Discontinued operations⁽¹⁾			
Profit for the year from discontinued operations		–	8 755
Net profit for the year		5 055	6 583
Attributable to:			
Equity holders		3 550	6 646
Continuing operations		3 550	(2 109)
Discontinued operations		–	8 755
Non-controlling interest		1 505	(63)
		5 055	6 583

⁽¹⁾ On 31 March 2020 the investment in RMH was transferred from "investment – equity accounted" to "assets held for distribution" (refer to "Comparison with the prior year" on page 140). Profit from discontinued operations for the prior year includes the equity accounted income of RMH, as well as the profit realised on the RMH Unbundling.



Statement of comprehensive income

for the year ended 30 June 2021

R million	30 June 2021	30 June 2020
Net profit for the year	5 055	6 583
Other comprehensive income, net of tax	(2 512)	6 554
Items that may be reclassified subsequently to the income statement:		
Exchange rate adjustments	(4 188)	6 880
Fair value adjustments for the year	(520)	(3)
Deferred taxation on fair value adjustments	112	6
Reclassification of other comprehensive income to the income statement	9	(1 073)
Other comprehensive income of equity accounted investments	(2 627)	2 671
Items that will not be reclassified to the income statement:		
Fair value adjustments for the year	4 150	(1 210)
Deferred taxation on fair value adjustments	(448)	(668)
Capital gains taxation on disposal of FVOCI investments	(343)	–
Remeasurement of post-employment benefit obligations	157	133
Deferred taxation on remeasurement of post-employment benefit obligations	(45)	(37)
Change in reserves of equity accounted investments	1 231	(145)
Total comprehensive income for the year	2 543	13 137
Total comprehensive income attributable to:		
Equity holders	1 345	12 900
Non-controlling interest	1 198	237
	2 543	13 137

Statement of changes in equity

for the year ended 30 June 2021

R million	30 June 2021	30 June 2020
Balance at the beginning of the year	101 443	115 866
Total comprehensive income for the year	2 543	13 137
Dividends paid	(506)	(3 883)
Dividends <i>in specie</i> ⁽¹⁾	–	(23 716)
Transactions with non-controlling shareholders	(241)	58
Other movements	18	(25)
Business acquired	3	–
Long-term share incentive scheme reserve	316	6
Balance at the end of the year	103 576	101 443

⁽¹⁾ RMH Unbundling.

Statement of cash flows

for the year ended 30 June 2021

R million	30 June 2021	30 June 2020
Cash flows – operating activities		
Cash generated from operations	7 017	4 340
Interest received	446	777
Taxation paid	(1 628)	(772)
Dividends received	1 293	2 984
Finance costs	(1 676)	(1 592)
Cash available from operating activities	5 452	5 737
Proceeds from retirement fund assets transferred to Distell	405	–
Dividends paid	(506)	(3 883)
Cash inflow from operating activities	5 351	1 854
Cash flows – investing activities		
Investment in property, plant and equipment and other assets	(2 048)	(2 467)
Proceeds on disposal of property, plant and equipment and intangible assets	242	131
Proceeds on disposal of assets held for sale	510	10
Businesses acquired	(64)	110
Proceeds on disposal of investments and loans ⁽¹⁾	2 542	925
Additions to investments and loans ⁽²⁾	(2 317)	(417)
Investment in money market funds	(800)	(2 275)
Withdrawal of money market funds	735	2 505
Cash outflow from investing activities	(1 200)	(1 478)
Cash flows – financing activities		
Loans repaid ⁽³⁾	(7 579)	(11)
Lease payments	(454)	(406)
Other movements	156	166
Cash outflow from financing activities	(7 877)	(251)
Net increase/(decrease) in cash and cash equivalents	(3 726)	125
Exchange rate profit/(loss) on foreign cash	(892)	1 549
Cash and cash equivalents at the beginning of the year	13 219	11 545
Cash and cash equivalents at the end of the year	8 601	13 219
Cash and cash equivalents – per statement of financial position	8 763	15 631
Bank overdraft	(162)	(2 412)

⁽¹⁾ The year under review includes the proceeds on the disposal of 40 000 000 FirstRand shares amounting to R2 040 million.

⁽²⁾ The year under review includes an investment in CIVH amounting to R1 636 million.

⁽³⁾ Remgro redeemed its exchangeable bonds for £350 million cash on 22 March 2021.

Notes to the summary financial statements

for the year ended 30 June 2021

1. Basis of preparation

The summary consolidated financial statements are prepared in accordance with the requirements of the JSE Limited (JSE) for summary financial statements, and the requirements of the Companies Act applicable to summary financial statements. The JSE requires summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34: *Interim Financial Reporting*.

The accounting policies applied in the preparation of the consolidated financial statements from which the summary consolidated financial statements were derived are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated Annual Financial Statements. During the year under review various other interpretations and amendments became effective, but their implementation had no impact on the results of either the current or prior years. The financial statements have been prepared under the supervision of the Chief Financial Officer, Neville Williams CA(SA).

The summary consolidated financial statements do not contain all the information and disclosures required in the consolidated financial statements. The summary consolidated financial statements have been extracted from the audited consolidated financial statements upon which PricewaterhouseCoopers Inc. has issued an unqualified report. The audited consolidated financial statements and the unqualified audit report are available for inspection at the registered office of the Company.

2. Comparison with the prior year

RMB Holdings Limited (RMH) and FirstRand Limited (FirstRand)

During June 2020 Remgro unbundled its 28.2% interest in RMH (RMH Unbundling) and, consequently, the investment in RMH was treated as a discontinued operation for the year ended 30 June 2020. For the year under review, earnings and headline earnings measures are again presented for continuing operations and discontinued operations and, accordingly, discontinued operations for the prior year include the equity accounted income of RMH.

It should also be noted that with effect from 8 June 2020, Remgro ceased to have significant influence over FirstRand due to, among other factors, the RMH Unbundling and therefore the investment was reclassified from an equity accounted investment to an investment at fair value through other comprehensive income (FirstRand Reclassification). For the comparative year, the investment in FirstRand was equity accounted whereas, from the date of the FirstRand Reclassification, only dividend income is accounted for FirstRand in the income statement. Dividends of R191 million were received from FirstRand during the year under review (2020: cash dividends of R655 million). As a result of the Covid-19 pandemic, FirstRand only paid an interim dividend during the year under review.

Reporting platforms

Each significant investment is classified as an operating segment. Operating segments are presented in platforms. Platforms consist of investments with similar economic characteristics. As reported previously, the platforms under which the results of investee companies are being reported to the Chief Operating Decision-Maker were changed and certain investments reallocated in line with internal reporting to enhance stakeholder communication. The *Media and sport* and *Other investments* platforms that were reported under up to the 2020 financial year, were replaced by the following new platforms:

- *Media* (consisting mainly of eMedia Investments Proprietary Limited (eMedia Investments));
- *Portfolio investments* (non-strategic investments consisting mainly of FirstRand and British American Tobacco plc (BAT));
- *Diversified investment vehicles* (entities whose main business is to make investments consisting mainly of Kagiso Tiso Holdings Proprietary Limited (KTH), the Asian funds, Invenfin Proprietary Limited (Invenfin) and Pembani Remgro Infrastructure Fund (PRIF)); and
- *Social impact investments* (consisting mainly of the Blue Bulls rugby franchise and Stellenbosch Academy of Sport Proprietary Limited (SAS)).

Comparative figures have been re-presented accordingly.

3. Headline earnings reconciliation

R million	30 June 2021	30 June 2020
Continuing operations		
Net profit/(loss) for the year attributable to equity holders (earnings)	3 550	(2 109)
– Impairment of equity accounted investments ⁽¹⁾	22	930
– Reversal of impairment of equity accounted investments ⁽¹⁾	(1 154)	(73)
– Impairment of property, plant and equipment	97	639
– Reversal of impairment of property, plant and equipment	(3)	(2)
– Impairment of investment properties	–	10
– Impairment of intangible and other assets ⁽²⁾	–	2 730
– Bargain purchase gain	(8)	(278)
– Profit on sale and dilution of equity accounted investments ⁽³⁾	(29)	(4 241)
– Loss on sale and dilution of equity accounted investments	12	21
– Profit on disposal of property, plant and equipment	(249)	(56)
– Loss on disposal of property, plant and equipment	17	18
– Non-headline earnings items included in equity accounted earnings of equity accounted investments	468	4 725
– (Profit)/loss on disposal of property, plant and equipment	(31)	16
– Profit on sale of investments	(70)	(130)
– Loss on sale of investments	76	8
– Impairment of investments, assets and goodwill ⁽⁴⁾	507	4 810
– Other headline earnings adjustable items	(14)	21
– Taxation effect of adjustments	(11)	(204)
– Non-controlling interest	173	(373)
Headline earnings from continuing operations	2 885	1 737
Discontinued operations		
Net profit for the year attributable to equity holders (earnings)	–	8 755
– Profit on sale of equity accounted investments ⁽⁵⁾	–	(7 360)
– Non-headline earnings items included in equity accounted earnings of equity accounted investments	–	35
– Loss on sale of investments	–	35
Headline earnings from discontinued operations	–	1 430
Total headline earnings from continuing and discontinued operations	2 885	3 167

⁽¹⁾ Refer to “Net impairments of equity accounted investments” on page 143 for further details.

⁽²⁾ Refer to “Intangible assets” on page 142 for further details.

⁽³⁾ “Profit on sale and dilution of equity accounted investments” for the prior year includes the profit realised on the FirstRand Reclassification of R4 228 million.

⁽⁴⁾ “Impairment of investments, assets and goodwill” from equity accounted investments for the prior year includes Remgro’s portion of the impairments of Mediclinic’s assets in Switzerland and the Middle East, as well as its investment in Spire of R4 330 million.

⁽⁵⁾ “Profit on sale of equity accounted investments” for the prior year consists of the profit realised on the RMH Unbundling.



4. Earnings and dividends

Cents	30 June 2021	30 June 2020
Total headline earnings per share		
– Basic	510.6	560.6
Continuing operations	510.6	307.5
Discontinued operations	–	253.1
– Diluted	508.1	558.4
Continuing operations	508.1	305.6
Discontinued operations	–	252.8
Earnings per share		
– Basic	628.3	1 176.4
Continuing operations	628.3	(373.3)
Discontinued operations	–	1 549.7
– Diluted	625.5	1 173.6
Continuing operations	625.5	(373.9)
Discontinued operations	–	1 547.5
Dividends per share		
Ordinary	90.00	265.00
– Interim	30.00	215.00
– Final	60.00	50.00

5. Intangible assets

R million	30 June 2021	30 June 2020
Carrying value at the beginning of the year	21 067	24 024
Additions	143	149
Businesses acquired	59	8
Impairments ⁽¹⁾	–	(2 730)
Amortisation	(495)	(523)
Foreign exchange translation	(91)	132
Transfers and other	(3)	7
Carrying value at the end of the year	20 680	21 067

⁽¹⁾ As a result of the negative impact of the Covid-19 lockdown, the Group recognised impairments on goodwill allocated to Distell (R1 809 million), as well as impairments on RCL Foods' goodwill (R598 million) and indefinite life intangible assets (R315 million) on 30 June 2020. Subsequent to 30 June 2020, these business units' cash flows recovered and their recoverable amounts exceeded their carrying values on 30 June 2021.

6. Investments – equity accounted

R million	30 June 2021	30 June 2020
Associates	44 756	46 347
Joint ventures	5 451	4 644
Investments – Equity accounted	50 207	50 991
Loans to equity accounted investments – Current	94	–
	50 301	50 991

Equity accounted investments reconciliation

Carrying value at the beginning of the year	50 991	70 860
Share of net attributable profit/(loss)	1 618	(878)
Dividends received	(928)	(2 620)
Exchange rate differences	(2 727)	5 527
Investments made	1 830	254
RMH Unbundling ⁽¹⁾	–	(17 182)
FirstRand Reclassification ⁽²⁾	–	(6 061)
Dark Fibre Africa loans reclassified to debtors and short-term loans	–	(468)
Net impairments	1 011	(885)
Equity accounted movements on reserves	(1 398)	2 526
Other movements	(96)	(82)
Carrying value at the end of the year	50 301	50 991

⁽¹⁾ On 31 March 2020 the investment in RMH was transferred from “investment – equity accounted” to “assets held for distribution”.

⁽²⁾ With effect from 8 June 2020 Remgro ceased to have significant influence over FirstRand, due to among others the RMH Unbundling, and the investment was reclassified from an equity accounted investment to an investment at FVOCI.

Net impairments of equity accounted investments and loss allowances on loans

Reversal of impairments/(impairments) were recognised for the following investments:

R million	30 June 2021	30 June 2020
Best Global Brands Limited (BGB) ⁽¹⁾	–	(144)
Grindrod ⁽²⁾	488	(596)
Grindrod Shipping ⁽²⁾	607	(112)
Other impairments	(84)	(33)
	1 011	(885)

⁽¹⁾ The further significant devaluation of the Angolan kwanza during the prior year has negatively affected the earnings of BGB. The recoverable amount was based on a fair value less cost to sell calculation. At 30 June 2021 the recoverable amount exceeded the carrying value.

⁽²⁾ Reversals of impairment were recognised for these investments to their listed market prices following a significant increase in the share price.

The listed market value of the investment in Mediclinic was R19 358 million on 30 June 2021 (2020: R18 769 million), which is significantly lower than the carrying value of R24 581 million (2020: R27 443 million) before impairment. Accordingly, management assessed for impairment by means of a value in use calculation. The value in use calculation is based on a discounted cash flow model. The calculation requires the use of estimates in respect of cash flows, growth and discount rates and it assumes a stable regulatory environment. These estimates are based on publicly available information such as analysts’ consensus forecast and guidance provided by Mediclinic in its annual results. Given that Mediclinic, in terms of London Stock Exchange listing requirements and its Disclosure Guidance and Transparency Rules, must monitor such publicly available information for reasonability against its internal budgets and forecast and publish guidance should there be a significant deviance, management has comfort that the estimates used in the discounted cash flow calculation are reasonable.

Cash flow projections for a five-year period were estimated and reflect management’s best view of future earnings. The discount and terminal growth rates used for the business segments are as follows:

	Discount rate (%)	Terminal growth rate (%)
South Africa	12.7	4.5
Switzerland	5.1	1.6
Middle East	8.7	3.0

Any increase in the discount rate or decreases in the short-term cash flow projections or terminal growth rate could give rise to further impairment charges in future. The value in use of the investment was R29 625 million on 30 June 2021 (2020: R28 776 million) and, as a result, no further impairment was recognised.

6. Investments – equity accounted (continued)

Share of after-tax profit/(loss) of equity accounted investments

R million	30 June 2021	30 June 2020
Profit before taking into account impairments and non-recurring items	3 404	5 176
Net impairment of investments, assets and goodwill	(507)	(4 810)
Profit on the sale of investments	(6)	87
Other headline earnings adjustable items	14	(21)
Profit before tax and non-controlling interest	2 905	432
Taxation	(1 111)	(952)
Non-controlling interest	(176)	(358)
	1 618	(878)
Continuing operations	1 618	(2 272)
Discontinued operations	–	1 394

7. Long-term loans

20 000 Class A 7.5% cumulative redeemable preference shares	3 508	3 507
10 000 Class B 8.3% cumulative redeemable preference shares	4 313	4 313
Exchangeable bonds with an effective interest rate of 4.5% (redeemed on 22 March 2021)	–	7 468
Various other loans	7 076	7 456
	14 897	22 744
Short-term portion of long-term loans	(2 919)	(7 577)
	11 978	15 167

8. Additions to and replacement of property, plant and equipment

2 081	2 976
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9. Capital and investment commitments⁽¹⁾

(Including amounts authorised but not yet contracted for)

5 818	2 299
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10. Guarantees and contingent liabilities⁽²⁾

3 692	3 353
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11. Dividends received from equity accounted investments set off against investments

928	2 620
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⁽¹⁾ The year under review includes an investment commitment of R2 124 million to CIVH, which was paid on 19 July 2021.

⁽²⁾ Remgro issued a guarantee to Rand Merchant Bank for a loan facility, which was granted to CIVH to fund the Vumatel acquisition. Remgro's exposure at 30 June 2021 amounted to R3 594 million.

12. Fair value remeasurements

The following methods and assumptions are used to determine the fair value of each class of financial instruments:

- Financial instruments at fair value and investment in money market funds: Fair value is based on quoted market prices or, in the case of unlisted instruments, appropriate valuation methodologies, being discounted cash flow, liquidation valuation or actual net asset value of the investment.
- Derivative instruments: The fair values of derivative instruments, which are included in financial instruments at FVPL, are determined by using appropriate valuation methodologies and mark-to-market valuations.

Financial instruments measured at fair value are disclosed by level of the following fair value hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

12. Fair value remeasurements (continued)

The following table illustrates the fair values of financial assets and liabilities that are measured at fair value, by hierarchy level:

R million	Level 1	Level 2	Level 3	Total
30 June 2021				
Assets				
Non-current assets				
Financial assets at FVOCI	11 933	3	2 406	14 342
Financial assets at FVPL	-	-	214	214
Current assets				
Financial assets at FVPL	-	83	-	83
Investment in money market funds	5 010	-	-	5 010
	16 943	86	2 620	19 649
Liabilities				
Current instruments at FVPL	-	471	-	471
	-	471	-	471
30 June 2020				
Assets				
Non-current assets				
Financial assets at FVOCI	10 542	101	1 963	12 606
Financial assets at FVPL	-	-	309	309
Current assets				
Financial assets at FVPL	-	11	-	11
Investment in money market funds	4 945	-	-	4 945
	15 487	112	2 272	17 871
Liabilities				
Current instruments at FVPL	-	279	-	279
	-	279	-	279

The following table illustrates the reconciliation of the carrying value of level 3 assets at the beginning and end of the year:

R million	Financial assets at FVOCI	Financial assets at FVPL	Total
Assets			
Balances at 1 July 2020	1 963	309	2 272
Additions	403	-	403
Disposals	(244)	(142)	(386)
Exchange rate adjustment	(242)	82	(160)
Fair value adjustments through other comprehensive income	526	-	526
Fair value adjustments through profit and loss	-	(35)	(35)
Balances at 30 June 2021	2 406	214	2 620

Level 3 financial assets consist mainly of investments in the Milestone China entities (Milestone) and PRIF amounting to R1 273 million (2020: R1 299 million) and R368 million (2020: R341 million), respectively. These investments are all valued based on the fair value of each investment's underlying assets, which are valued using a variety of valuation methodologies. Listed entities are valued at the last quoted share price on the reporting date, whereas unlisted entities' valuation methods include discounted cash flow valuations, appropriate earnings and revenue multiples.

Milestone's fair value consists of listed investments (33%), cash and cash equivalents (5%) and unlisted investments (62%) (2020: 13%, 2% and 85%, respectively). Unlisted investments included at transaction prices in Milestone's fair value amounted to R649 million (2020: R988 million), while its remaining three unlisted investments were valued at R140 million (2020: R117 million). PRIF's main assets are the investments in ETG Group, Lumos Global, Solar Saver, Icolo, Zimborders and GridX. ETG Group was valued using a market-based approach, specifically the comparable company method (Enterprise value/ EBITDA), while the other investments were valued using the discounted cash flow method. The investments in LifeQ and Bolt were valued at R186 million and R336 million, respectively, at 30 June 2021.

Changes in the valuation assumptions of the above unlisted investments will not have a significant impact on Remgro's financial statements as the underlying assets of the funds in which Remgro made its investments are widely spread.

13. Segment revenue

R million	Year ended 30 June	
	2021	2020
Consumer products		
Distell	28 254	22 370
RCL Foods	31 536	27 659
Siqalo Foods	3 088	2 712
Industrial		
Wispeco	2 925	1 991
Total revenue	65 803	54 732

Disaggregated revenue information

R million	Year ended 30 June	
	2021	2020
Distell		
Spirits	11 127	8 942
Wine	6 880	5 656
Cider and RTDs	10 223	7 725
Other	24	47
	28 254	22 370
RCL Foods		
Groceries	5 522	4 984
Baking	5 849	5 195
Chicken	10 336	8 814
Sugar	8 398	7 622
Vector	3 154	2 589
Sales between RCL Foods' business units	(1 766)	(1 566)
Group	195	166
	31 688	27 804
Siqalo Foods		
Spreads	3 088	2 712
Wispeco		
Extrusions and related products	2 545	1 721
Other	380	270
	2 925	1 991
Elimination of inter-segment revenue	(152)	(145)
Total revenue	65 803	54 732

14. Related party transactions

Community Investment Ventures Holdings Proprietary Limited (CIVH)

During January 2021, Remgro subscribed for 54 738 shares in CIVH for a total amount of R1 636 million in terms of a rights issue. This share subscription increased Remgro's interest in CIVH marginally from 54.7% at 30 June 2020 to 55.2% at 30 June 2021.

Subsequent to 30 June 2021, Remgro subscribed for a further 67 364 shares in CIVH for a total amount of R2 124 million in terms of a further rights issue, increasing Remgro's interest in CIVH to 55.5%. The proceeds of both rights issues were used to reduce the CIVH group's debt, as well as to unlock capital expenditure facilities for further growth.

RCL Foods Limited (RCL Foods)

During November and December 2020 Remgro acquired a further 28 940 412 RCL Foods shares for a total amount of R234 million. At 30 June 2021 Remgro's effective interest in RCL Foods was 80.4% (2020: 77.1%).

KTH

During November 2020 Tiso Blackstar Group Proprietary Limited exited its 20.0% investment in KTH through multiple inter-connected steps, which increased Remgro's interest in KTH. At 30 June 2021 Remgro's effective interest in KTH was 43.5% (2020: 36.3%).

Other

For other related party transactions refer to note 6 and 11.



15. Events after year-end

Rand Merchant Investment Holdings Limited (RMI)

On 20 September 2021 RMI announced its decision to restructure its investment portfolio by the distribution of all the shares held by it in its two life insurance-focused assets, Discovery Limited and Momentum Metropolitan Holdings Limited, as well as an equity capital raise of up to R6.5 billion by way of a *pro rata* rights issue to optimise its capital structure (the RMI Restructure). Remgro gave its in-principle support for the RMI Restructure. Following the RMI Restructure, RMI's remaining assets will consist mainly of its 89.1% investment in OUTsurance Holdings Limited and its 30.0% investment in Hastings Group Holdings plc.

Civil unrest in South Africa

Distell Group Holdings Limited (Distell) and RCL Foods

Civil unrest occurred in South Africa's KwaZulu-Natal and Gauteng provinces from 9 to 17 July 2021, which resulted in violence and the destruction and looting of property and businesses. One of the Distell distribution centres in KwaZulu-Natal was damaged and its operations disrupted. Initial assessments placed the damage between R80 million and R100 million. Various of RCL Foods' KwaZulu-Natal-based sites in the Chicken and Vector Logistics business units were also impacted by the civil unrest and resultant looting and vandalism of property. RCL Foods estimated the impact of the civil unrest at approximately R46 million.

The impact of the civil unrest is regarded as a non-adjusting event in terms of *IAS 10: Events after the Reporting Period*. No adjustments were therefore made to the amounts recognised in the financial statements of 30 June 2021.

Other than the above-mentioned events, there were no other significant events subsequent to 30 June 2021.

Annexure A

Segment report for the year ended 30 June 2021⁽¹⁾

R million	Year ended 30 June 2021	30 June 2021 Net assets		Year ended 30 June 2020	30 June 2020 Net assets	
	Headline earnings ⁽²⁾	Book value ⁽³⁾	Intrinsic value	Headline earnings ⁽²⁾	Book value ⁽³⁾	Intrinsic value
Healthcare						
Mediclinic	674	24 581	19 358	1 655	27 443	18 769
Consumer products						
RCL Foods	759	8 262	6 926	92	7 189	6 029
Distell – entity contribution	538	7 578	11 665	165	7 128	5 330
– IFRS 3 charge ⁽⁴⁾	(47)	–	–	(47)	–	–
Siqalo Foods – entity contribution	405	6 226	7 277	414	6 285	6 145
– IFRS 3 charge ⁽⁴⁾	(79)	–	–	(79)	–	–
Financial services						
RMI	898	10 174	14 713	599	9 736	13 708
Business Partners	23	1 273	1 273	25	1 244	1 232
Infrastructure						
CIVH	(435)	4 981	12 054	(649)	4 458	10 584
Grindrod	16	842	842	(12)	532	532
SEACOM	26	23	799	(10)	8	909
Other infrastructure investments	17	701	701	(45)	226	226
Industrial						
Air Products	322	1 063	4 523	333	1 264	3 979
TotalEnergies	366	2 242	2 539	(20)	2 029	2 515
Wispeco	264	1 229	1 188	80	1 008	810
Other industrial investments	62	198	415	(126)	205	309
Diversified investment vehicles						
KTH	(182)	1 456	2 044	(164)	1 601	1 961
Milestone III	–	1 234	1 234	–	1 251	1 251
Prescient China Equity Fund	–	1 211	1 211	–	1 156	1 156
Other diversified investment vehicles	(78)	1 449	1 567	(91)	1 050	1 107
Media						
eMedia Investments	43	815	616	78	805	947
Other media investments	10	3	137	–	41	41
Portfolio investments						
FirstRand	191	7 659	7 659	657	7 068	7 068
Other portfolio investments	56	661	661	38	782	782
Social impact investments	(66)	135	135	19	331	331
Central treasury						
Finance income/cash at the centre	212	9 706	9 706	479	17 073	17 073
Finance costs/debt at the centre	(861)	(7 821)	(7 821)	(949)	(15 288)	(15 288)
Other net corporate costs/assets	(249)	2 178	2 919	(705)	2 148	2 817
Continuing operations	2 885	88 059	104 341	1 737	86 773	90 323
Discontinued operations	–	–	–	1 430	–	–
	2 885	88 059	104 341	3 167	86 773	90 323
Potential CGT liability			(4 150)			(3 050)
Total	2 885	88 059	100 191	3 167	86 773	87 273

Additional segmental information is disclosed in note 12.1 in the Annual Financial Statements that is published on the Company's website at www.remgro.com.

⁽¹⁾ Refer to the change in reporting platforms on page 140.

⁽²⁾ Refer to note 3 for the calculation of headline earnings.

⁽³⁾ Total book value equals shareholders' equity.

⁽⁴⁾ IFRS 3 charge represents the amortisation and depreciation expenses, net of tax, relating to the additional assets identified when Remgro obtained control over these entities.

