



29 September 2017

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Reg. No 2010/005770/06

Dear Ms Zodwa Ntuli

Rand Merchant Investment Holdings Limited – Reporting in terms of section 13G of the Broad-Based Black Economic Empowerment Act (B-BBEE Act)

The following reporting is done in terms of section 13G of the Broad-Based Black Economic Empowerment Act (B-BBEE Act) for Rand Merchant Investment Holdings Limited (RMI).

SECTION A: DETAILS OF ENTITY

Name of entity	Rand Merchant Investment Holdings Limited (RMI)
Registration number	2010/005770/06
Physical address	3 rd Floor, 2 Merchant Place, Corner of Fredman Drive and Rivonia Road, Sandton, 2196
Telephone number	011 282 8000
Email address	company.secretary@rmih.co.za
Indicate type of entity	Investment holding company
Industry/Sector	Financial services investment holding company
Relevant Code of Good Practice	Financial Sector Code
Name of verification agency	Not applicable
Name of technical signature	Not applicable

SECTION B: INFORMATION VERIFIED BY THE BROAD-BASED BLACK ECONOMIC EMPOWERMENT VERIFICATION PROFESSIONAL AS PER SCORECARDS

As an investment holding and non-client facing company, RMI has not obtained a formal rating. The information contained in section B has been verified by Mosela and SizweNtsalubaGobodo Rating Agency.

The majority of an investment holding company's income consists of dividend income, which is paid out of after tax reserves which has already been subjected to the B-BBEE Act and its requirements. Furthermore, an investment holding company has limited operational functions and therefore a limited expense base.

RMI's most significant investments in South Africa are a 25% shareholding in Discovery Limited, a 25% shareholding in MMI Holdings Limited and an 88% shareholding in OUTsurance Holdings Limited. All of these investee companies have their own B-BBEE ratings.

B-BBEE elements	Target score including	Bonus points	Actual score achieved
Ownership	14	2.33	16.33
Management control	8	-	1.56
Employment equity	15	-	5.67
Skills development	10	-	*4.62
Preferential procurement	16	-	10.86
Enterprise development	15	-	0.43
Socio economic development	3	-	0.24
Total score	81	-	39.71
Adjusted score			39.71 / 81 * 100 = 49 points
Level achieved			6
B-BBEE recognition %			60%
Priority elements achieved	Not applicable – Financial Sector Codes applied	-	N/a
Empowering supplier status	Not applicable – Financial Sector Codes applied	-	N/a

* All the prerequisites on skills development have been met except the submission of the WSP and ATR to the applicable SETA. RMI plans to submit the WSP and ATR in January 2018.

SECTION C: FINANCIAL REPORT

1. Basic accounting details:

Accounting officer's name	Schalk Human
Address	3 rd Floor, 2 Merchant Place Corner of Fredman Drive and Rivonia Road, Sandton, 2196
Accounting policy	Semi-annual
Has the attached financial statements and annual report been approved by the entity?	Yes

2. The annual integrated report will be publicly available on 24 October 2017. Attached is the summarised audited results announcement and dividend declaration.

As an investment holding company, RMI has an obligation to its various stakeholders. RMI has a culture of compliance with a view to ensure that South African industry practice remains amongst the best in the world.

Yours sincerely

A handwritten signature in black ink, appearing to read 'JS Human', followed by a horizontal line extending to the right.

JS Human
Company secretary