Remgro Limited

2017 SUMMARY FINANCIAL STATEMENTS

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FINANCIAL REPORT

SHAREHOLDERS' ACTIONS REQUIRED

AUDIT AND RISK COMMITTEE REPORT

TO THE SHAREHOLDERS OF REMGRO LIMITED

This report by the Audit and Risk Committee (the committee), as appointed by the shareholders in respect of the year under review, is prepared in accordance with the recommendations of King III and the requirements of the Companies Act (No. 71 of 2008), as amended (Companies Act) and describes how the committee has discharged its statutory duties in terms of the Companies Act and its additional duties assigned to it by the Board in respect of the financial year ended 30 June 2017.

COMMITTEE MEMBERS AND ATTENDANCE AT MEETINGS

The committee comprises four independent non-executive directors (as set out in the table below) and is chaired by Ms S E N De Bruyn Sebotsa. All the committee members are suitably skilled and experienced. In terms of the committee's mandate, at least four meetings should be held annually.

COMPOSITION OF THE COMMITTEE

Committee member*	Number of meetings held	Number of meetings attended
S E N De Bruyn Sebotsa (chairman)[1]	4	4
N P Mageza	4	4
P J Moleketi	4	3
F Robertson	4	3
H Wessels[2]	4	1

* *Abridged curriculum vitae of all the directors of the Company are set out on pages 14 and 15 of the Integrated Annual Report.*

[1] *Ms S E N De Bruyn Sebotsa was appointed as chairman of the Audit and Risk Committee with effect from 1 December 2016.*

[2] *Mr H Wessels retired as director and chairman with effect from 1 December 2016.*

The Chief Executive Officer, Chief Financial Officer, head of internal audit and representatives of the external auditors attend the committee meetings by invitation. Committee agendas provide for confidential meetings between committee members and the internal and external auditors, as well as management.

ROLE AND RESPONSIBILITIES

The committee's role and responsibilities include its statutory duties as per the Companies Act, as well as the responsibilities assigned to it by the Board.

The committee is satisfied that it has fulfilled all of its duties during the financial year under review, as further detailed below.

The committee has also satisfied itself that there are effective audit committees functioning at Wispeco, Remgro's principal wholly owned operating subsidiary, and the Company's significant non-wholly owned subsidiaries, associates and joint ventures, whose minutes of meetings held are also included in the committee's agenda.

More information about the functioning of the committee and the matters dealt with in this report can be found in the Corporate Governance Report and Risk Management Report.

STATUTORY DUTIES

In the conduct of its duties, the committee has performed the following statutory duties:

- Nominated PricewaterhouseCoopers Inc. and Mr Hein Döman, who, in the opinion of the committee, is independent of the Company, to the shareholders for appointment as the external auditor for the financial year ended 30 June 2017
- Determined the fees to be paid to the external auditor and their terms of engagement
- Ensured that the appointment of the external auditor complies with the provisions of the Companies Act and any other legislation relating to the appointment of auditors
- Determined the nature and extent of any non-audit services that the external auditor may provide to the Company and its wholly owned subsidiaries administered by Remgro Management Services Limited (RMS)
- Pre-approved any proposed agreement with the external auditor for the provision of non-audit services to the Company and its wholly owned subsidiaries administered by RMS

EXTERNAL AUDIT

The committee is satisfied that the Company's external auditor, PricewaterhouseCoopers Inc., is independent of the Company and is therefore able to conduct their audit functions without any influence from the Company.

A formal policy governs the process whereby the external auditor of the Company is considered for non-audit services. In terms of the policy, the committee is responsible for determining the nature and extent of any non-audit services that the external auditor may provide and also to pre-approve any proposed contract with the external auditor for the provision of non-audit services.

INTERNAL FINANCIAL CONTROL AND ACCOUNTING SYSTEMS

The committee is responsible for assessing the systems of internal financial controls and accounting systems of the Company and its wholly owned subsidiaries administered by RMS. In this regard the committee has evaluated reports on the effectiveness of the systems of internal financial controls conducted by the internal audit function, considered information provided by management and held discussions with the external auditor on the results of their audit. The committee is of the opinion that the systems of internal financial controls are effective and forms a basis for the preparation of reliable financial statements. In support of the aforementioned the committee also received reports from the internal audit function regarding the effectiveness of the combined assurance process and fraud prevention and detection measures in place.

The Remgro executives serving on the boards of investee companies (RCL Foods, Wispeco and associates and joint ventures) are responsible for executing the Company's significant influence to ensure that effective internal controls are implemented and complied with.

EXPERTISE AND EXPERIENCE OF THE CHIEF FINANCIAL OFFICER AND FINANCE FUNCTION

The committee has considered and has satisfied itself of the appropriateness of the expertise and experience of the Chief Financial Officer (CFO), Mr Neville Williams, whose curriculum vitae appears on page 15 of the Integrated Annual Report.

The committee has furthermore considered, and has satisfied itself of the appropriateness of the expertise and adequacy of resources of the Company's finance function and the experience of the senior members of management responsible for the financial function.

FINANCIAL STATEMENTS AND GOING CONCERN

The committee has reviewed the stand-alone and consolidated financial statements of the Company and is satisfied that they comply with International Financial Reporting Standards and the Companies Act, and that the accounting policies used are appropriate.

The committee has also reviewed a documented assessment by management of the going concern premise of the Company before recommending to the Board that the Company will be a going concern in the foreseeable future.

RISK MANAGEMENT

The committee has assigned oversight of the risk management function to the Risk and IT Governance Committee, which is a subcommittee of the committee. The mandate of this committee includes the maintenance of the Risk Management Policy and plan, establishment of an operational Risk Register, information technology risk management, legal compliance and occupational health and safety. The Risk and IT Governance Committee is chaired by the CFO and the fifteen other members are all senior managers of the Company. The chairman of the committee attends the Risk and IT Governance Committee meetings as an *ex officio* member to ensure the effective functioning of this committee and that appropriate risk information is shared with the committee.

INTERNAL AUDIT

The Company's internal audit division is an effective independent appraisal function and forms an integral part of the Enterprise-wide Risk Management system that provides assurance on the effectiveness of the Company's system of internal control. The internal audit division of the Company is staffed by qualified and experienced personnel and services all of Remgro's wholly owned subsidiaries administered by RMS, as well as Wispeco. In addition, the internal audit division also performs independent internal audit work for other investee companies such as Dark Fibre Africa, Mediclinic, RMB Holdings, RMI Holdings, SEACOM and Business Partners.

During the year under review the committee considered and recommended the internal audit charter for approval by the Board. The committee further considered the internal audit quality assurance plan and the performance of the internal audit function. Further details on the Group's internal audit functions are provided in the Risk Management Report.

COMPLIANCE

The committee is responsible for reviewing any major breach of relevant legal and regulatory requirements. The committee is satisfied that there has been no material non-compliance with laws and regulations.

The committee is also satisfied that it has complied with all its legal, regulatory and other responsibilities during the year under review.

RECOMMENDATION TO THE BOARD

The committee has reviewed and considered the Integrated Annual Report, including the comprehensive Annual Financial Statements and Sustainable Development Report published on the Company's website at www.remgro.com, and has recommended it for approval by the Board.

Sonja De Bruyn Sebotsa
Chairman of the Audit and Risk Committee

Stellenbosch
20 September 2017

REPORT OF THE BOARD OF DIRECTORS

FOR THE YEAR ENDED 30 JUNE 2017

Dear Shareholder

The Board has pleasure in reporting on the activities and financial results for the year under review.

NATURE OF ACTIVITIES

The Company is an investment holding company. Cash income is derived mainly from dividends and interest. The consolidated annual financial statements of the Company and its subsidiaries also incorporate the equity accounted attributable income of associates and joint ventures.

The Group's interests consist mainly of investments in healthcare; banking; consumer products; insurance; industrial; infrastructure as well as media and sport.

RESULTS

Year ended	30 June 2017	30 June 2016 Restated
Headline earnings (R million)	**8 221**	5 874
– per share (cents)	**1 485.5**	1 119.6
– diluted (cents)	**1 479.5**	1 115.0
Headline earnings, excluding once-off costs and option remeasurement (R million)	**7 534**	7 392
– per share (cents)	**1 361.3**	1 409.0
– diluted (cents)	**1 355.5**	1 404.4
Earnings – net profit for the year (R million)	**8 431**	5 364
– per share (cents)	**1 523.4**	1 022.4
– diluted (cents)	**1 517.2**	1 018.5
Dividends (R million)	**2 813**	2 518
– ordinary – per share (cents)	**495.00**	460.00

A final dividend of 301 cents (2016: 275 cents) per share was declared after the year-end and was therefore not provided for in the annual financial statements. The final dividend is subject to dividend tax.

INVESTMENT ACTIVITIES

The most important investment activities during the year under review were as follows:

COMMUNITY INVESTMENT VENTURES HOLDINGS PROPRIETARY LIMITED (CIVH)

During September 2016 Remgro subscribed for an additional 12 353 shares in CIVH for a total amount of R329.3 million in terms of a CIVH rights issue. As a result of the share subscription, Remgro's interest in CIVH increased marginally to 51.0% on 30 June 2017 (2016: 50.9%).

CAPEVIN HOLDINGS LIMITED (CAPEVIN)

During May 2017 Remgro acquired a further 30 667 156 Capevin shares for a total amount of R264.5 million. This transaction increased Remgro's effective interest in Capevin to 19.0% (2016: 15.6%).

INVENFIN PROPRIETARY LIMITED (INVENFIN)

During July 2016 Remgro (through its wholly owned subsidiary, Invenfin) acquired a 30% stake in Dynamic Commodities Proprietary Limited (Dynamic Commodities) for R80.0 million. Dynamic Commodities is an export-focused company that produces high-quality frozen desserts, snacks and value-added "fresh frozen" fruit.

During August 2016, Invenfin also acquired a 30% stake in Joya Brands Proprietary Limited, a sweets manufacturer, for R50.2 million.

PEMBANI REMGRO INFRASTRUCTURE FUND (PRIF)

On 15 August 2016 PRIF had its final close, which resulted in Remgro receiving a capital distribution of R14.6 million, as well as an income distribution of R3.8 million. During the year under review Remgro also invested a further R58.0 million in PRIF, thereby increasing its cumulative investment to R255.2 million. As at 30 June 2017 the remaining commitment to PRIF amounted to R394.8 million.

OTHER

Other smaller investments amounted to R215 million.

EVENTS AFTER YEAR-END

DISTELL GROUP LIMITED (DISTELL)

During June 2017 it was announced that Distell will restructure its multi-tiered ownership structure (the Proposed Transaction) and in order to give effect to the Proposed Transaction, Remgro will, through a number of inter-conditional steps, exchange its existing 50% shareholding in Remgro-Capevin Investments Proprietary Limited (RCI) for additional ordinary shares in Capevin Holdings Limited (Capevin) (RCI Exchange). Remgro currently holds 19.0% of the ordinary shares in Capevin and after the RCI Exchange, Remgro will hold 59.5% in Capevin. Following the RCI Exchange, Remgro will exchange its entire Capevin shareholding for ordinary shares in a new listed entity (New Distell), which entity will be substantially similar to the current Distell. Remgro will, in addition, also receive unlisted B shares in New Distell, which shares will be linked to those New Distell ordinary shares acquired by Remgro in virtue of the RCI Exchange, resulting in Remgro replicating RCI's current 52.8% voting rights in Distell. The unlisted B shares will only carry voting rights in New Distell and will have no economic participation. The Proposed Transaction will have no impact on Remgro's intrinsic asset value and Remgro will retain its economic interest in Distell. Post implementation of the Proposed

Transaction, Remgro will, in aggregate, have voting rights of 56.0% in New Distell. The Proposed Transaction is still subject to a number of conditions precedent, *inter alia* Distell and Capevin shareholders' approvals, which is expected to be on 27 October 2017, as well as the approval of the relevant competition authorities.

RMI HOLDINGS LIMITED (RMI HOLDINGS)

On 19 September 2017 RMI Holdings declared its final dividend for the year ended 30 June 2017, which included an alternative to the cash dividend of either receiving a scrip distribution or reinvesting the cash dividend by subscribing for new RMI Holdings ordinary shares. Remgro has committed to reinvesting its cash dividend amounting to R292.3 million, by electing the reinvestment alternative, in order to receive 7 691 641 new RMI Holdings ordinary shares at R38.00 per share.

Other than the above-mentioned transactions, there were no other significant transactions subsequent to 30 June 2017.

RIGHTS ISSUE

During October 2016 Remgro completed a rights issue whereby 48 110 637 new ordinary shares and 3 550 635 new B ordinary shares were issued at a subscription price of R192.50 per share for a total consideration of R9 944.8 million. The offer to the ordinary shareholders was made in the ratio of 10 rights issue shares for every 100 ordinary shares held on the record date of the rights issue, representing an aggregate amount of R9 261.3 million. In order to maintain the current level of voting rights of Rupert Beleggings Proprietary Limited (Rupert Beleggings) in Remgro, and to contribute to the new equity capital being raised, Remgro offered Rupert Beleggings the right to subscribe for 3 550 635 B ordinary shares, representing an aggregate amount of R683.5 million. In terms of IAS 33 paragraph 26, an adjustment to the weighted average number of shares in issue for the comparative period is required as the shares were issued at a discount to the Remgro share price on the day before the announcement (being R243.29 per share). Consequently, the comparable weighted number of shares in issue was adjusted by 9 994 195 shares to account for the deemed dilutive effect of the rights issue. Refer to note 15 for full detail on the restatement of comparative numbers.

CASH RESOURCES AT THE CENTRE

The Company's cash resources at 30 June 2017 were as follows:

R million	30 June 2017 Local	30 June 2017 Offshore	30 June 2017 Total	30 June 2016
Per consolidated statement of financial position	5 260	2 264	7 524	3 569
Investment in money market funds	3 815	2 073	5 888	1 050
Less: Cash of operating subsidiaries	(1 170)	(19)	(1 189)	(841)
Cash at the centre	**7 905**	**4 318**	**12 223**	3 778

On 30 June 2017, approximately 48% (R5 888 million) of the available cash at the centre was invested in money market funds which are not classified as cash and cash equivalents on the statement of financial position. Refer to note 5.1 to the annual financial statements that is published on the Company's website at www.remgro.com for further details.

GROUP FINANCIAL REVIEW

CHANGE IN ACCOUNTING POLICY

With effect from 1 July 2016 Remgro adopted the amendments to *IAS 16: Property, Plant and Equipment* and *IAS 41: Agriculture*. These amendments have to be applied retrospectively and accordingly the reported results of the comparative period were restated. The restatements pertain to the reclassification of bearer plants from biological assets to property, plant and equipment, the transfer of the remaining non-current biological assets (being the produce) to current biological assets and the measurement of the reclassified assets under the appropriate accounting treatment. Refer to the note 15 for full detail on the restatement of comparative numbers.

STATEMENT OF FINANCIAL POSITION

The analysis of "Equity employed" and of "Source of headline earnings" below reflects the sectors into which the Group's investments have been classified. No adjustment has been made where investments are active mainly in one sector but also have interests in other sectors.

	30 June 2017 R million	30 June 2017 R per share	30 June 2016 R million Restated	30 June 2016 R per share Restated
Equity employed				
Attributable to equity holders	**92 432**	**163.13**	78 844	153.13
Employment of equity				
Healthcare	**33 763**	**59.59**	33 629	65.31
Banking	**19 026**	**33.58**	17 784	34.54
Consumer products	**15 017**	**26.50**	14 361	27.89
Insurance	**7 277**	**12.84**	7 157	13.90
Industrial	**5 835**	**10.30**	5 575	10.83
Infrastructure	**4 998**	**8.82**	5 052	9.81
Media and sport	**1 512**	**2.67**	1 444	2.80
Other investments	**3 947**	**6.97**	3 737	7.26
Central treasury				
– Cash at the centre	**12 223**	**21.57**	3 778	7.34
– Debt at the centre	**(13 907)**	**(24.54)**	(16 452)	(31.95)
Other net corporate assets	**2 741**	**4.83**	2 779	5.40
	92 432	**163.13**	78 844	153.13

INCOME STATEMENT

	30 June 2017 R million	30 June 2017 %	30 June 2016 R million Restated	30 June 2016 % Restated
Source of headline earnings				
Healthcare	**1 875**	**23**	1 566	27
Banking	**3 163**	**38**	2 989	51
Consumer products	**1 354**	**17**	1 605	27
Insurance	**1 041**	**13**	888	15
Industrial	**750**	**9**	517	9
Infrastructure	**36**	**1**	6	–
Media and sport	**(58)**	**(1)**	(36)	(1)
Other investments	**70**	**1**	67	1
Central treasury				
– Finance income	**349**	**4**	125	2
– Finance costs	**(216)**	**(3)**	(1 602)	(27)
Other net corporate costs	**(143)**	**(2)**	(251)	(4)
	8 221	**100**	5 874	100

R million	30 June 2017	30 June 2016 Restated
Composition of headline earnings		
Subsidiaries	**429**	(994)
Profits	**1 230**	807
Losses	**(801)**	(1 801)
Associates and joint ventures	**7 792**	6 868
Profits	**7 950**	7 252
Losses	**(158)**	(384)
	8 221	5 874

SHARE INCENTIVE SCHEME

Remgro currently has one long-term incentive plan, i.e. the Remgro Equity Settled Share Appreciation Right Scheme (the SAR Scheme). In terms of the SAR Scheme, participants are offered Remgro ordinary shares to the value of the appreciation of their rights to a specified number of Remgro ordinary shares that can be exercised at different intervals but before the expiry of seven years from date of grant.

The earliest intervals at which the share appreciation rights are exercisable are as follows:

- One-third after the third anniversary of the grant date
- An additional third after the fourth anniversary of the grant date
- The remainder after the fifth anniversary of the grant date

Refer to note 9 to the annual financial statements that is published on the Company's website at www.remgro.com for further details on the SAR Scheme.

TREASURY SHARES

At 30 June 2016, 1 725 393 Remgro ordinary shares (0.4%) were held as treasury shares by a wholly owned subsidiary of Remgro. As previously reported, these shares were acquired for the purpose of hedging Remgro's share incentive scheme.

During the year under review 224 542 Remgro ordinary shares were utilised to settle Remgro's obligation towards share scheme participants who exercised the rights granted to them. Remgro also followed its rights with respect to treasury shares it held when it completed the rights issue during October 2016 and subscribed for 165 787 Remgro ordinary shares, at R192.50 per share, for a total amount of R32 million.

At 30 June 2017, 1 666 638 Remgro ordinary shares (0.3%) were held as treasury shares.

PRINCIPAL SHAREHOLDER

Rupert Beleggings Proprietary Limited (Rupert Beleggings) holds all the issued unlisted B ordinary shares of the Company and is entitled to 42.54% (2016: 42.55%) of the total votes.

An analysis of the shareholders appears on pages 115 and 116.

SUBSIDIARIES AND INVESTMENTS

Particulars of subsidiaries and equity accounted investments are disclosed in note 14 of the annual financial statements. that is published on the Company's website at www.remgro.com.

DIRECTORS

The names of the directors appear on pages 14 to 15 of the Integrated Annual Report.

Mrs M Lubbe has been appointed as an executive director of Remgro on 20 September 2016 and the Board has ratified her appointment on 1 December 2016. Mrs M Lubbe's appointment will in terms of the Company's Memorandum of Incorporation have to be confirmed by the shareholders at the next Annual General Meeting.

The Board wishes to welcome Mrs M Lubbe as a director to the Company.

Mr H Wessels has retired as an independent non-executive director from the Board of Remgro from 1 December 2016.

The Board wishes to thank him for his valuable contribution over many years.

In terms of the provision of the Memorandum of Incorporation, Messrs W E Bührmann, G T Ferreira, N P Mageza, P J Moleketi and F Robertson retire from the Board by rotation. These directors are eligible and offer themselves for re-election.

DIRECTORS' INTERESTS

At 30 June 2017 the aggregate of the direct and indirect interests of the directors and their associates in the issued ordinary share capital of the Company amounted to 2.57% (2016: 2.55%).

Mr J P Rupert is a director of Rupert Beleggings which owns all the issued unlisted B ordinary shares.

An analysis of directors' interests in the issued capital of the Company appears on page 117.

DIRECTORS' EMOLUMENTS

The total directors' fees for services rendered as directors during the past financial year amounted to R5.2 million (2016: R4.8 million).

ACQUISITION OF SHARES OF THE COMPANY

It is recommended that a general authority be granted to the Board to acquire, should circumstances warrant it, the Company's own shares and to approve the acquisition of shares in the Company by any of its subsidiaries, subject to the provisions of the Companies Act (No. 71 of 2008), as amended, and the Listings Requirements of the JSE Limited.

A special resolution to grant this general authority to the Board is incorporated in the notice of the Annual General Meeting that appears on page 118 of the Integrated Annual Report.

AUTHORITY TO PLACE ORDINARY SHARES UNDER THE CONTROL OF THE DIRECTORS

It is recommended that a general authority be granted to the Board to allot and issue ordinary shares, subject to the provisions of the Companies Act (No. 71 of 2008), as amended, and the Listings Requirements of the JSE Limited, provided that the aggregate number of ordinary shares to be allotted and issued is limited to 5% of the number of the unissued ordinary shares in the authorised share capital of the Company (being 23 539 150 ordinary shares). This authority cannot be used to issue shares for cash.

An ordinary resolution to grant this general authority to the Board is incorporated in the notice of the Annual General Meeting that appears on page 118 of the Integrated Annual Report.

DECLARATION OF CASH DIVIDEND

DECLARATION OF CASH DIVIDEND NO. 34

Notice is hereby given that a final gross dividend of 301 cents (2016: 275 cents) per share has been declared out of income reserves in respect of both the ordinary shares of no par value and the unlisted B ordinary shares of no par value, for the year ended 30 June 2017.

A dividend withholding tax of 20% or 60.2 cents per share will be applicable, resulting in a net dividend of 240.8 cents per share, unless the shareholder concerned is exempt from paying dividend withholding tax or is entitled to a reduced rate in terms of an applicable double-tax agreement.

The total gross dividend per share for the year ended 30 June 2017 therefore amounts to 495 cents, compared to 460 cents for the year ended 30 June 2016.

The issued share capital at the declaration date is 529 217 007 ordinary shares and 39 056 987 B ordinary shares. The income tax number of the Company is 9500-124-71-5.

PAYMENT

The final dividend is payable on Monday, 20 November 2017, to shareholders of the Company registered at the close of business on Friday, 17 November 2017.

Share certificates may not be dematerialised or rematerialised between Wednesday, 15 November 2017, and Friday, 17 November 2017, both days inclusive.

In terms of the Company's Memorandum of Incorporation, dividends will only be transferred electronically to the bank accounts of shareholders, while dividend cheques are no longer issued. In the instance where shareholders do not provide the Transfer Secretaries with their banking details, the dividend will not be forfeited but will be marked as "unclaimed" in the share register until the shareholder provides the Transfer Secretaries with the relevant banking details for pay out.

SECRETARY

The name and address of the Company Secretary appears on page 16 of the Integrated Annual Report.

APPROVAL

The comprehensive annual financial statements published on the Company's website at www.remgro.com, as well as the summary annual financial statements set out on pages 104 to 117 have been approved by the Board.

Signed on behalf of the Board of Directors.

Johann Rupert
Chairman

Jannie Durand
Chief Executive Officer

Stellenbosch
20 September 2017

INDEPENDENT AUDITOR'S REPORT

ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF REMGRO LIMITED

OPINION

The summary consolidated financial statements of Remgro Limited, set out on pages 104 to 117 of the Integrated Annual Report, which comprise the summary consolidated statement of financial position as at 30 June 2017, and the summary consolidated income statement and the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Remgro Limited for the year ended 30 June 2017.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the JSE Limited's (JSE) requirements for summary financial statements, as set out in note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 20 September 2017. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

DIRECTOR'S RESPONSIBILITY FOR THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of the JSE's requirements for summary financial statements, set out in note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with *International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.*

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: N H Döman
Registered Auditor

Stellenbosch
20 September 2017

STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2017

R million	Notes	30 June 2017	30 June 2016 Restated*	1 July 2015 Restated*
ASSETS				
Non-current assets				
Property, plant and equipment		**6 668**	6 500	5 985
Investment properties		**129**	107	51
Intangible assets		**4 927**	4 993	5 710
Investments – Equity accounted	4	**80 883**	78 565	57 831
– Available-for-sale		**3 345**	3 408	2 493
Retirement benefits		**201**	163	220
Loans		**562**	880	977
Deferred taxation		**23**	42	18
		96 738	94 658	73 285
Current assets		**22 317**	14 442	21 407
Inventories		**3 055**	3 274	3 118
Biological agricultural assets		**791**	968	830
Debtors and short-term loans		**4 885**	5 503	3 837
Investment in money market funds		**5 888**	1 050	986
Cash and cash equivalents		**7 524**	3 569	4 050
Other current assets		**85**	49	52
		22 228	14 413	12 873
Assets held for sale		**89**	29	8 534
Total assets		**119 055**	109 100	94 692
EQUITY AND LIABILITIES				
Stated capital		**13 416**	3 605	3 605
Reserves		**79 235**	75 456	69 781
Treasury shares		**(219)**	(217)	(272)
Shareholders' equity		**92 432**	78 844	73 114
Non-controlling interest		**2 870**	2 813	2 803
Total equity		**95 302**	81 657	75 917
Non-current liabilities		**18 493**	20 821	5 404
Retirement benefits		**173**	202	227
Long-term loans	5	**16 446**	17 799	3 547
Deferred taxation		**1 511**	1 623	1 630
Derivative instruments		**363**	1 197	–
Current liabilities		**5 260**	6 622	13 371
Trade and other payables		**4 710**	4 833	4 469
Short-term loans		**480**	1 660	366
Other current liabilities		**69**	129	69
		5 259	6 622	4 904
Liabilities held for sale		**1**	–	8 467
Total equity and liabilities		**119 055**	109 100	94 692

* *For details of the restatement refer to note 15.*

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2017

R million	Notes	30 June 2017	30 June 2016 Restated*
Sales		**27 600**	27 697
Inventory expenses		**(16 138)**	(16 959)
Staff costs		**(4 972)**	(4 578)
Depreciation		**(752)**	(727)
Other net operating expenses		**(4 978)**	(4 921)
Trading profit		**760**	512
Dividend income		**61**	77
Interest received		**633**	287
Fair value adjustment on exchangeable bonds' option*		**687**	(730)
Finance costs		**(1 255)**	(903)
Net impairment of investments, loans, assets and goodwill		**105**	(2 556)
Profit on sale and dilution of investments		**199**	2 451
Consolidated profit/(loss) before tax		**1 190**	(862)
Taxation		**(227)**	21
Consolidated profit/(loss) after tax		**963**	(841)
Share of after-tax profit of equity accounted investments	11	**7 545**	6 250
Net profit for the year		**8 508**	5 409
Attributable to:			
Equity holders		**8 431**	5 364
Non-controlling interest		**77**	45
		8 508	5 409

* *For details of the restatement refer to note 15.*

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2017

R million	30 June 2017	30 June 2016 Restated
Net profit for the year	**8 508**	5 409
Other comprehensive income, net of tax	**(2 097)**	2 579
Items that may be reclassified subsequently to the income statement:		
Exchange rate adjustments	**(4 477)**	1 745
Fair value adjustments for the year	**69**	534
Deferred taxation on fair value adjustments	**21**	(112)
Reclassification of other comprehensive income to the income statement	**(20)**	(951)
Other comprehensive income of equity accounted investments	**2 245**	1 652
Items that will not be reclassified to the income statement:		
Remeasurement of post-employment benefit obligations	**68**	19
Deferred taxation on remeasurement of post-employment benefit obligations	**(19)**	(6)
Change in reserves of equity accounted investments	**16**	(302)
Total comprehensive income for the year	**6 411**	7 988
Total comprehensive income attributable to:		
Equity holders	**6 338**	7 943
Non-controlling interest	**73**	45
	6 411	7 988

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2017

R million	30 June 2017	30 June 2016 Restated
Balance at 1 July	**81 657**	75 917
Total comprehensive income for the year	**6 411**	7 988
Dividends paid	**(2 708)**	(2 358)
Transactions with non-controlling shareholders	**18**	31
Other movements	**18**	15
Long-term share incentive scheme reserve	**127**	64
Shares issued	**9 945**	–
Share issue costs	**(134)**	–
Purchase of treasury shares by wholly owned subsidiary	**(32)**	–
Balance at the end of the year	**95 302**	81 657

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017

R million	30 June 2017	30 June 2016 Restated
Cash generated from operations	**2 874**	1 413
Taxation paid	**(363)**	(328)
Dividends received	**4 163**	3 547
Finance costs	**(1 179)**	(795)
Cash available from operating activities	**5 495**	3 837
Dividends paid	**(2 708)**	(2 358)
Net cash inflow from operating activities	**2 787**	1 479
Investing activities	**(6 572)**	(18 767)
Financing activities	**8 553**	16 365
Net increase/(decrease) in cash and cash equivalents	**4 768**	(923)
Exchange rate profit/(loss) on foreign cash	**(424)**	222
Cash and cash equivalents at the beginning of the year	**3 128**	3 829
Cash and cash equivalents at the end of the year	**7 472**	3 128
Cash and cash equivalents – per statement of financial position	**7 524**	3 569
Bank overdraft	**(52)**	(441)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

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, with the exception of the adoption of the amendments to *IAS 16: Property, Plant and Equipment* and *IAS 41: Agriculture*. These amendments have to be applied retrospectively and accordingly the reported results of the comparative year were restated. The restatements pertain to the reclassification of bearer plants from biological assets to property, plant and equipment, the transfer of the remaining non-current biological assets (being the produce) to current biological assets and the measurement of the reclassified assets under the appropriate accounting treatment. Refer to note 15 for further detail. 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. HEADLINE EARNINGS RECONCILIATION

R million	30 June 2017	30 June 2016 Restated
Net profit for the year attributable to equity holders (earnings)	**8 431**	5 364
Plus/(minus):		
– Net impairment of equity accounted investments*	**(302)**	1 862
– Impairment of available-for-sale investments	**5**	–
– Net impairment of property, plant and equipment	**181**	37
– Impairment of intangible assets*	**–**	644
– Impairment of assets held for sale	**–**	7
– Profit on sale and dilution of equity accounted investments**	**(199)**	(2 349)
– Profit on sale of available-for-sale investments	**–**	(153)
– Recycling of foreign currency translation reserves	**–**	51
– Net (surplus)/loss on disposal of property, plant and equipment	**(110)**	10
– Loss on disposal of biological agricultural assets	**–**	9
– Non-headline earnings items included in equity accounted earnings of equity accounted investments	**223**	633
– Net surplus on disposal of property, plant and equipment	**(19)**	(27)
– Profit on the sale of investments	**(325)**	(216)
– Net impairment of investments, assets and goodwill	**668**	809
– Other non-recurring and capital items	**(101)**	67
– Taxation effect of adjustments	**5**	(92)
– Non-controlling interest	**(13)**	(149)
Headline earnings	**8 221**	5 874
Once-off costs	**–**	788
Option remeasurement	**(687)**	730
Headline earnings, excluding once-off costs and option remeasurement* **	**7 534**	7 392

* *For the year under review "Net impairment of equity accounted investments" primarily consists of a reversal of impairment of the investment in Grindrod of R478 million (2016: impairment of the investment in Grindrod of R1 861 million). For the previous year "Impairment of intangible assets" primarily consists of an impairment in RCL Foods' Milling business amounting to R643 million.*

** *For the previous year "Profit on sale and dilution of equity accounted investments" primarily consists of a profit of R2 262 million realised on the dilution of Remgro's interest in Mediclinic as part of the Al Noor transaction.*

*** *Included in headline earnings is a positive fair value adjustment of R687 million (2016: negative fair value adjustment of R730 million), relating to the change in value of the bondholders' exchange option (accounted for as a derivative liability) of the bonds ("option remeasurement") that were issued during March 2016 to partially refinance the foreign bridge funding that was raised for the Al Noor transaction. The bonds are exchangeable into Mediclinic plc shares and/or cash and fair value adjustments on the option (reflecting inter alia the movement in the underlying Mediclinic plc share price) are expected to cause volatility in headline earnings during its five-year term.*
Included in headline earnings for the prior year are once-off transaction costs incurred with the Mediclinic rights issue and Al Noor Hospitals Group plc (Al Noor) transaction amounting to R788 million, of which R402 million was Remgro's own costs and R386 million was Remgro's share of Mediclinic's transaction costs ("once-off costs").

3. EARNINGS AND DIVIDENDS

Cents	30 June 2017	30 June 2016 Restated
Headline earnings per share		
– Basic	**1 485.5**	1 119.6
– Diluted	**1 479.5**	1 115.0
Headline earnings per share, excluding once-off costs and option remeasurement		
– Basic	**1 361.3**	1 409.0
– Diluted	**1 355.5**	1 404.4
Earnings per share		
– Basic	**1 523.4**	1 022.4
– Diluted	**1 517.2**	1 018.5
Dividends per share		
Ordinary	**495.00**	460.00
– Interim	**194.00**	185.00
– Final	**301.00**	275.00

4. INVESTMENTS

R million		
Equity accounted investments		
Associates	**75 392**	73 418
Joint ventures	**5 491**	5 147
	80 883	78 565

EQUITY ACCOUNTED INVESTMENT RECONCILIATION

Carrying value at the beginning of the year	**78 565**	57 831
Share of net attributable profit	**7 545**	6 250
Dividends received	**(3 861)**	(3 900)
Investment in Mediclinic	**–**	18 246
Dilutionary effects	**196**	1 886
Exchange rate differences	**(4 947)**	(1 274)
Grindrod impairment reversal/(impairment)	**478**	(1 861)
Movements on reserves	**2 256**	1 350
Other movements	**651**	37
Carrying value at the end of the year	**80 883**	78 565

5. LONG-TERM LOANS

20 000 Class A 7.7% cumulative redeemable preference shares	**3 512**	3 512
10 000 Class B 8.3% cumulative redeemable preference shares	**4 382**	4 382
Exchangeable bonds with an effective interest rate of 4.5%	**5 650**	6 380
Various other loans	**3 127**	3 672
	16 671	17 946
Short-term portion of long-term loans	**(225)**	(147)
	16 446	17 799

	R million	30 June 2017	30 June 2016 Restated
6.	**ADDITIONS TO AND REPLACEMENT OF PROPERTY, PLANT AND EQUIPMENT**	1 228	1 295
7.	**CAPITAL AND INVESTMENT COMMITMENTS**	1 247	1 999
	(Including amounts authorised but not yet contracted for)		
8.	**GUARANTEES AND CONTINGENT LIABILITIES**	26	241
9.	**DIVIDENDS RECEIVED FROM EQUITY ACCOUNTED INVESTMENTS SET OFF AGAINST INVESTMENTS**	3 861	3 900
10.	**DIVIDENDS RECEIVED FROM ASSOCIATE CLASSIFIED AS ASSET HELD FOR SALE**	–	149
11.	**EQUITY ACCOUNTED INVESTMENTS**		
	Share of after-tax profit of equity accounted investments		
	Profit before taking into account impairments, non-recurring and capital items	10 066	8 875
	Net impairment of investments, assets and goodwill	(668)	(809)
	Profit on the sale of investments	325	216
	Other non-recurring and capital items	101	(67)
	Profit before tax and non-controlling interest	9 824	8 215
	Taxation	(1 895)	(1 709)
	Non-controlling interest	(384)	(256)
		7 545	6 250

12. FAIR VALUE REMEASUREMENTS

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

- Financial instruments available-for-sale 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 value of derivative instruments is 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 2017				
Assets				
Available-for-sale	**1 178**	**–**	**2 167**	**3 345**
Derivative instruments	**–**	**1**	**–**	**1**
Investment in money market funds	**5 888**	**–**	**–**	**5 888**
	7 066	**1**	**2 167**	**9 234**
Liabilities				
Non-current derivative instruments	**–**	**363**	**–**	**363**
Current derivative instruments	**–**	**13**	**49**	**62**
	–	**376**	**49**	**425**
30 June 2016				
Assets				
Available-for-sale	1 260	–	2 148	3 408
Derivative instruments	–	8	–	8
Investment in money market funds	1 050	–	–	1 050
	2 310	8	2 148	4 466
Liabilities				
Non-current derivative instruments	–	1 197	–	1 197
Current derivative instruments	–	63	54	117
	–	1 260	54	1 314

The following tables illustrate the reconciliation of the carrying value of level 3 assets and liabilities from the beginning to the end of the year:

R million	30 June 2017	30 June 2016
Assets: Available-for-sale		
Balances at the beginning of the year	**2 148**	1 591
Additions	**119**	174
Disposals	**(67)**	(53)
Exchange rate adjustments	**(178)**	236
Fair value adjustments through comprehensive income	**145**	200
Balances at the end of the year	**2 167**	2 148
Liabilities: Derivative instruments		
Balances at the beginning of the year	**54**	–
Remeasurements	**(5)**	–
Additions	**–**	54
Balances at the end of the year	**49**	54

There were no transfers between the different levels.

Level 3 financial assets consist mainly of investments in the Milestone China entities (Milestone), the Kagiso Infrastructure Empowerment Fund (KIEF) and the Pembani Remgro Infrastructure Fund (PRIF) amounting to R1 554 million, R272 million and R246 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 (40%), cash and cash equivalents (4%) and unlisted investments (56%). Unlisted investments included at recent transaction prices in Milestone's fair value amounted to R606 million, while its remaining eight unlisted investments were valued at R264 million and is considered to be immaterial. KIEF's investments were valued using the discounted cash flow method or the agreed exit price. PRIF's main assets are the investments in ETG Group and Nova Lumos. ETG Group was valued using appropriate revenue and earnings multiples based on peer group companies to determine a price-to-book valuation, while Nova Lumos was recently acquired and therefore valued at its cost price.

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. RELATED PARTY TRANSACTIONS

COMMUNITY INVESTMENT VENTURES HOLDINGS PROPRIETARY LIMITED (CIVH)

During September 2016 Remgro subscribed for an additional 12 353 shares in CIVH for a total amount of R329.3 million in terms of a CIVH rights issue. As a result of the share subscription, Remgro's interest in CIVH increased marginally to 51.0% on 30 June 2017 (2016: 50.9%).

CAPEVIN HOLDINGS LIMITED (CAPEVIN)

During May 2017 Remgro acquired a further 30 667 156 Capevin shares for a total amount of R264.5 million. This transaction increased Remgro's effective interest in Capevin to 19.0% (2016: 15.6%).

INVENFIN PROPRIETARY LIMITED (INVENFIN)

During July 2016 Remgro (through its wholly owned subsidiary, Invenfin) acquired a 30% stake in Dynamic Commodities Proprietary Limited (Dynamic Commodities) for R80.0 million. Dynamic Commodities is an export-focused company that produces high-quality frozen desserts, snacks and value-added "fresh frozen" fruit.

During August 2016, Invenfin also acquired a 30% stake in Joya Brands Proprietary Limited, a sweets manufacturer, for R50.2 million.

OTHER

For other related party transactions refer to notes 4, 9, 10 and 11.

14. EVENTS AFTER YEAR-END

DISTELL GROUP LIMITED (DISTELL)

During June 2017 it was announced that Distell will restructure its multi-tiered ownership structure (the Proposed Transaction) and in order to give effect to the Proposed Transaction, Remgro will, through a number of inter-conditional steps, exchange its existing 50% shareholding in Remgro-Capevin Investments Proprietary Limited (RCI) for additional ordinary shares in Capevin Holdings Limited (Capevin) (RCI Exchange). Remgro currently holds 19.0% of the ordinary shares in Capevin and after the RCI Exchange, Remgro will hold 59.5% in Capevin. Following the RCI Exchange, Remgro will exchange its entire Capevin shareholding for ordinary shares in a new listed entity (New Distell), which entity will be substantially similar to the current Distell. Remgro will, in addition, also receive unlisted B shares in New Distell, which shares will be linked to those New Distell ordinary shares acquired by Remgro in virtue of the RCI Exchange, resulting in Remgro replicating RCI's current 52.8% voting rights in Distell. The unlisted B shares will only carry voting rights in New Distell and will have no economic participation. The Proposed Transaction will have no impact on Remgro's intrinsic asset value and Remgro will retain its economic interest in Distell. Post implementation of the Proposed Transaction, Remgro will, in aggregate, have voting rights of 56.0% in New Distell. The Proposed Transaction is still subject to a number of conditions precedent, *inter alia* Distell and Capevin shareholders' approvals, which is expected to be on 27 October 2017, as well as the approval of the relevant competition authorities.

RMI HOLDINGS LIMITED (RMI HOLDINGS)

On 19 September 2017 RMI Holdings declared its final dividend for the year ended 30 June 2017, which included an alternative to the cash dividend of either receiving a scrip distribution or reinvesting the cash dividend by subscribing for new RMI Holdings ordinary shares. Remgro has committed to reinvesting its cash dividend amounting to R292.3 million, by electing the reinvestment alternative, in order to receive 7 691 641 new RMI Holdings ordinary shares at R38.00 per share.

Other than the above-mentioned transactions, there were no other significant transactions subsequent to 30 June 2017.

15. RESTATEMENT OF COMPARATIVE NUMBERS

The 30 June 2016 results were restated due to a change in accounting policy, as well as a rights issue.

CHANGE IN ACCOUNTING POLICY

With effect from 1 July 2016 Remgro adopted the amendments to *IAS 16: Property, Plant and Equipment* and *IAS 41: Agriculture*. These amendments have to be applied retrospectively and accordingly the reported results of the comparative period were restated. The restatements pertain to the reclassification of bearer plants from biological assets to property, plant and equipment, the transfer of the remaining non-current biological assets (being the produce) to current biological assets and the measurement of the reclassified assets under the appropriate accounting treatment.

RIGHTS ISSUE

During October 2016 Remgro completed a rights issue whereby 48 110 637 new ordinary shares and 3 550 635 new B ordinary shares were issued at a subscription price of R192.50 per share for a total consideration of R9 944.8 million. In terms of IAS 33 paragraph 26, an adjustment to the weighted average number of shares in issue for the comparative period is required as the shares were issued at a discount to the Remgro share price on the day before the announcement (being R243.29 per share). Consequently, the comparable weighted number of shares in issue was adjusted by 9 994 195 shares to account for the deemed dilutive effect of the rights issue.

PRESENTATION OF INCOME STATEMENT

The fair value adjustment on the exchangeable bonds' option was included in "Other net operating expenses" in the 2016 income statement. In order to improve disclosure this item is now shown separately.

RESTATEMENT OF COMPARATIVE NUMBERS ON 1 JULY 2015

R million	As at 1 July 2015 as previously reported	Adjustments	As at 1 July 2015 Restated
Impact on statement of financial position*			
ASSETS			
Property, plant and equipment	5 716	269	5 985
Non-current assets – Biological agricultural assets	550	(550)	–
Current assets – Biological agricultural assets	549	281	830
Total assets	94 692	–	94 692

* *There was no impact on shareholders' equity on 1 July 2015 as all affected entities elected to use the carrying value of bearer plants on that date as the deemed cost thereof as permitted by IFRS.*

15. RESTATEMENT OF COMPARATIVE NUMBERS (continued)

RESTATEMENT OF COMPARATIVE NUMBERS FOR THE 2016 FINANCIAL YEAR

R million	For the year ended 30 June 2016 as previously reported	Adjustments	For the year ended 30 June 2016 Restated
Impact on income statement			
Depreciation	(670)	(57)	(727)
Fair value adjustment on exchangeable bonds' option	–	(730)	(730)
Other net operating expenses	(5 647)	726	(4 921)
Taxation	4	17	21
Net profit for the year	5 453	(44)	5 409
Attributable to:			
Equity holders (earnings)	5 386	(22)	5 364
Non-controlling interest	67	(22)	45
		(44)	
Impact on headline earnings			
Headline earnings	5 887	(13)	5 874
Headline earnings, excluding once-off costs and option remeasurement	7 405	(13)	7 392
Impact on earnings per share (cents)			
Headline earnings	1 143.9	(24.3)	1 119.6
Headline earnings, excluding once-off costs and option remeasurement	1 438.9	(29.9)	1 409.0
Earnings	1 046.6	(24.2)	1 022.4
Impact on statement of comprehensive income			
Net profit for the year	5 453	(44)	5 409
Total comprehensive income for the year	8 032	(44)	7 988
Total comprehensive income attributable to:			
Equity holders	7 965	(22)	7 943
Non-controlling interest	67	(22)	45
		(44)	
Impact on statement of cash flows			
Cash flows from operating activities	1 457	22	1 479
Cash flows from investing activities	(18 745)	(22)	(18 767)

R million	As at 30 June 2016 as previously reported	Adjustments	As at 30 June 2016 Restated
Impact on statement of financial position			
ASSETS			
Property, plant and equipment	6 292	208	6 500
Non-current assets – Biological agricultural assets	625	(625)	–
Current assets – Biological agricultural assets	612	356	968
Total assets	109 161	(61)	109 100
LIABILITIES			
Deferred taxation	1 640	(17)	1 623
Total liabilities	27 460	(17)	27 443
EQUITY			
Distributable reserves	44 324	(22)	44 302
Non-controlling interest	2 835	(22)	2 813
Total equity	81 701	(44)	81 657

ANNEXURE A

SEGMENT REPORT
FOR THE YEAR ENDED 30 JUNE 2017

R million	Year ended 30 June 2017 Headline earnings[1]	30 June 2017 Net assets Book value[2]	Intrinsic value	Year ended 30 June 2016 Headline earnings[1] Restated*	30 June 2016 Net assets Book value[2] Restated*	Intrinsic value
Healthcare						
Mediclinic	1 875	33 763	41 568	1 566	33 629	69 691
Banking						
RMBH	2 232	14 016	23 350	2 112	13 132	22 356
FirstRand	931	5 010	10 365	877	4 652	9 857
Consumer products						
Unilever	449	3 737	10 702	461	3 589	10 650
Distell	481	3 727	9 556	499	3 500	10 723
RCL Foods*	424	7 553	10 173	645	7 272	9 278
Insurance						
RMI Holdings	1 041	7 277	17 532	888	7 157	18 526
Industrial						
Air Products	298	1 047	4 298	275	933	4 241
KTH	34	1 684	2 466	(229)	1 631	2 723
Total	224	1 640	2 167	291	1 575	1 879
PGSI	25	643	643	36	734	734
Wispeco	169	821	1 368	144	702	1 055
Infrastructure						
Grindrod	(48)	1 915	1 915	(45)	1 986	1 986
CIV group	110	2 242	4 829	64	1 871	3 166
SEACOM	(33)	321	896	(33)	655	1 043
Other infrastructure interests	7	520	520	20	540	540
Media and sport						
eMedia Investments	49	1 147	1 424	28	1 116	1 342
Other media and sport interests	(107)	365	319	(64)	328	328
Other investments	70	3 947	3 932	67	3 737	3 717
Central treasury						
Cash at the centre/Finance income	349	12 223	12 223	125	3 778	3 778
Debt at the centre/Finance costs	(216)	(13 907)	(13 907)	(1 602)	(16 452)	(16 452)
Other net corporate costs/assets	(143)	2 741	3 164	(251)	2 779	3 149
	8 221	92 432	149 503	5 874	78 844	164 310
Potential CGT liability			(7 010)			(6 526)
Total		92 432	142 493		78 844	157 784

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 note 2 for the calculation of headline earnings.
(2) Total book value equals shareholders' equity.
** For details of the restatement refer to note 15.*

SHAREHOLDERS' INFORMATION

STATISTICS AT 30 JUNE 2017

	30 June 2017 %	30 June 2017 Number of shares	30 June 2016 %	30 June 2016 Number of shares
MAJOR BENEFICIAL SHAREHOLDERS				
Ordinary shares				
Public Investment Corporation	**15.30**	**80 947 607**	16.22	78 014 765
Other	**84.70**	**448 269 400**	83.78	403 091 605
	100.00	**529 217 007**	100.00	481 106 370
B ordinary shares				
Rupert Beleggings Proprietary Limited	**100.00**	**39 056 987**	100.00	35 506 352
Total		**568 273 994**		516 612 722

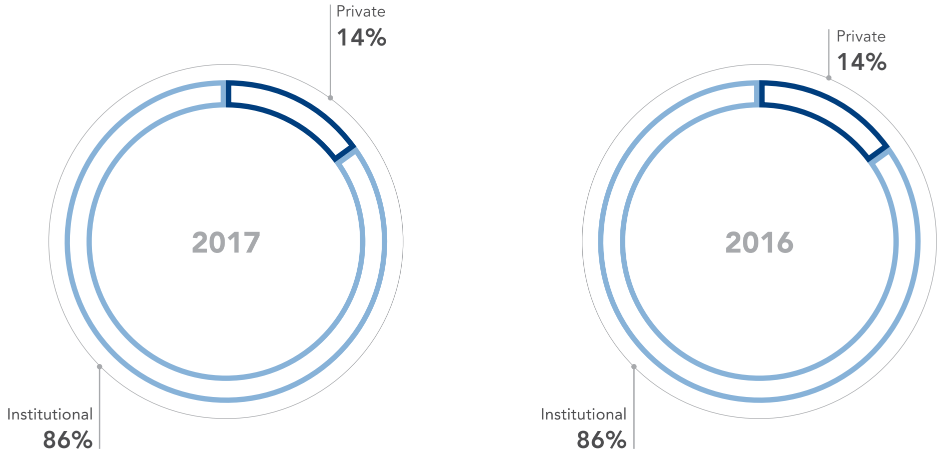
No other shareholder held a beneficial interest of more than 5% in the ordinary shares of the Company on 30 June 2017.

	30 June 2017	30 June 2016	30 June 2015	30 June 2014
DISTRIBUTION OF SHAREHOLDERS				
Ordinary shares				
Public shareholders	**64 552**	60 890	59 141	53 874
Percentage of shareholders	**99.88**	99.85	99.86	99.83
Number of shares	**512 476 207**	465 687 383	465 119 986	464 263 605
Percentage of shares issued	**96.84**	96.80	96.68	96.50
Non-public shareholders				
Directors and their associates/Share Trust/Treasury shares	**78**	90	84	91
Percentage of shareholders	**0.12**	0.15	0.14	0.17
Number of shares	**16 740 800**	15 418 987	15 986 384	16 842 765
Percentage of shares issued	**3.16**	3.20	3.32	3.50
Number of shareholders	**64 630**	60 980	59 225	53 965

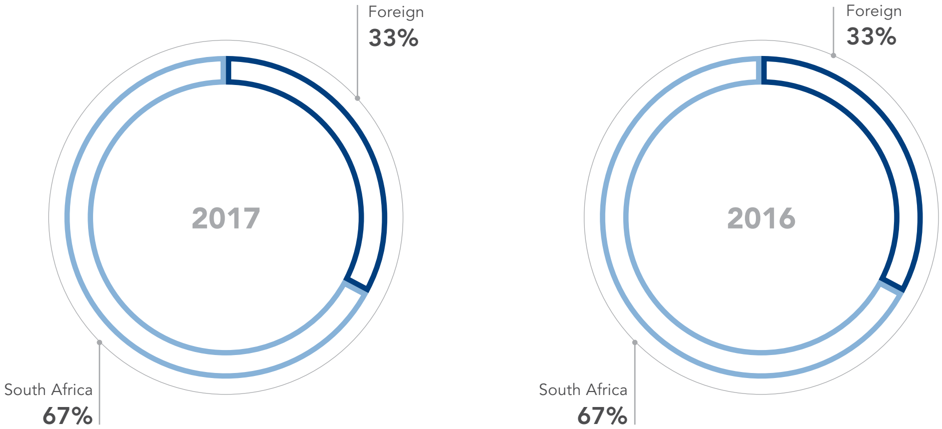
	30 June 2017	30 June 2016 Restated	30 June 2015	30 June 2014
NUMBER OF SHARES IN ISSUE				
– Ordinary shares of no par value	**529 217 007**	481 106 370	481 106 370	481 106 370
– Unlisted B ordinary shares of no par value	**39 056 987**	35 506 352	35 506 352	35 506 352
Total number of shares in issue	**568 273 994**	516 612 722	516 612 722	516 612 722
Number of shares held in treasury				
Ordinary shares repurchased and held in treasury	**(1 666 638)**	(1 725 393)	(2 169 558)	(2 960 766)
	566 607 356	514 887 329	514 443 164	513 651 956
Weighted number of shares	**553 423 346**	524 628 257	514 200 979	513 404 676

ADDITIONAL INFORMATION

INSTITUTIONAL AND PRIVATE SHAREHOLDING IN REMGRO LIMITED ORDINARY SHARES



FOREIGN AND LOCAL SHAREHOLDING IN REMGRO LIMITED ORDINARY SHARES



INTERESTS OF THE DIRECTORS IN THE ISSUED CAPITAL OF THE COMPANY

ORDINARY SHARES

Directors	Direct beneficial	Indirect beneficial	Associates	Total
30 June 2017				
W E Bührmann	–	290 400	–	290 400
J J Durand	–	842 776	8 250	851 026
G T Ferreira	174 488	–	616 000	790 488
P K Harris	–	186 030	–	186 030
E de la H Hertzog	288 081	2 124 995	142 982	2 556 058
M Lubbe	32 184	–	–	32 184
J Malherbe	48 670	–	1 158 631	1 207 301
N P Mageza	–	296	–	296
P J Moleketi	1 243	–	19 718	20 961
M Morobe	–	633	–	633
F Robertson	–	5 500	–	5 500
J P Rupert	–	–	7 553 865	7 553 865
S E N De Bruyn Sebotsa	497	–	–	497
N J Williams	22 643	–	66 000	88 643
	567 806	3 450 630	9 565 446	13 583 882

On 1 December 2016, when Mr H Wessels retired, his associates held 4 950 ordinary shares in Remgro Limited.

Directors	Direct beneficial	Indirect beneficial	Associates	Total
30 June 2016				
W E Bührmann	–	264 000	–	264 000
J J Durand	–	742 524	7 500	750 024
G T Ferreira	158 625	–	560 000	718 625
P K Harris	–	169 118	–	169 118
E de la H Hertzog	261 892	1 931 814	129 984	2 323 690
J Malherbe	26 826	–	1 053 301	1 080 127
P J Moleketi	1 130	–	9 925	11 055
M Morobe	–	575	–	575
F Robertson	–	5 000	–	5 000
J P Rupert	–	–	6 867 150	6 867 150
S E N De Bruyn Sebotsa	450	–	–	450
H Wessels	–	–	4 500	4 500
N J Williams	10 000	–	60 000	70 000
	458 923	3 113 031	8 692 360	12 264 314

B ORDINARY SHARES

Mr J P Rupert is a director of Rupert Beleggings Proprietary Limited which owns all the issued unlisted B ordinary shares.

Since the end of the financial year to the date of this report the interests of the directors remained unchanged.

NOTICE TO SHAREHOLDERS

The 2017 Annual General Meeting of Remgro Limited (the Company) will be held on Wednesday, 29 November 2017, at 10:30 in the Conference Centre, Erinvale Estate Hotel & Spa, Lourensford Road, Somerset West, 7130, to, if approved, pass the following ordinary and special resolutions with or without modification:

1. APPROVAL OF ANNUAL FINANCIAL STATEMENTS

ORDINARY RESOLUTION NUMBER 1

Resolved that the audited annual financial statements, including the Report of the Board of Directors of the Company (Board), the Independent Auditor's Report and the Audit and Risk Committee Report, of the Company and its Group (Group) for the financial year ended 30 June 2017 be accepted and approved.

ADDITIONAL INFORMATION IN RESPECT OF ORDINARY RESOLUTION NUMBER 1

In terms of the provisions of section 30(3)(d) of the Companies Act (No. 71 of 2008), as amended (Companies Act), the Company's annual financial statements and the Group annual financial statements have to be presented to the shareholders at the Annual General Meeting for consideration.

The complete audited annual financial statements, including the Report of the Board, the Independent Auditor's Report and the Audit and Risk Committee Report, of the Company and the Group for the financial year ended 30 June 2017 are published on the Company's website at www.remgro.com. The Report of the Board, the Independent Auditor's Report, the Audit and Risk Committee Report and the summary annual financial statements are included in the Integrated Annual Report on pages 98, 103, 96 and 93 respectively.

2. REAPPOINTMENT OF AUDITOR

ORDINARY RESOLUTION NUMBER 2

Resolved that the reappointment of PricewaterhouseCoopers Inc., who is independent from the Company, as the Company's auditor, as nominated by the Company's Audit and Risk Committee, be approved and to note that the individual registered auditor who will perform the function of auditor during the financial year ending 30 June 2018, is Mr A Wentzel.

ADDITIONAL INFORMATION IN RESPECT OF ORDINARY RESOLUTION NUMBER 2

In terms of the provisions of section 90(1) of the Companies Act, a public company shall at each Annual General Meeting appoint an auditor to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting of the Company.

3. ELECTION OF DIRECTOR

ORDINARY RESOLUTION NUMBER 3

Resolved that Mr W E Bührmann who retires in terms of clause 27.4.3.1 of the Company's Memorandum of Incorporation (Memorandum of Incorporation) and who has offered himself for re-election, be re-elected as a director of the Company.

4. ELECTION OF DIRECTOR

ORDINARY RESOLUTION NUMBER 4

Resolved that Mr G T Ferreira who retires in terms of clause 27.4.3.1 of the Memorandum of Incorporation and who has offered himself for re-election, be re-elected as a director of the Company.

5. ELECTION OF DIRECTOR

ORDINARY RESOLUTION NUMBER 5

Resolved that Mr N P Mageza who retires in terms of clause 27.4.3.1 of the Memorandum of Incorporation and who has offered himself for re-election, be re-elected as a director of the Company.

6. ELECTION OF DIRECTOR

ORDINARY RESOLUTION NUMBER 6

Resolved that Mr P J Moleketi who retires in terms of clause 27.4.3.1 of the Memorandum of Incorporation and who has offered himself for re-election, be re-elected as a director of the Company.

7. ELECTION OF DIRECTOR

ORDINARY RESOLUTION NUMBER 7

Resolved that Mr F Robertson who retires in terms of clause 27.4.3.1 of the Memorandum of Incorporation and who has offered himself for re-election, be re-elected as a director of the Company.

ADDITIONAL INFORMATION IN RESPECT OF ORDINARY RESOLUTIONS NUMBERS 3 TO 7

In terms of the provisions of clause 27.4.3 of the Memorandum of Incorporation, one-third of the directors, or if their number is not three or a multiple of three, then the number nearest to but not less than one-third are required to retire at each Annual General Meeting. Directors may offer themselves for re-election. Biographical details of all directors of the Company are set out on pages 14 and 15 of the Integrated Annual Report.

8. ELECTION OF DIRECTOR

ORDINARY RESOLUTION NUMBER 8

Resolved that the appointment of Mrs M Lubbe as a director of the Company be confirmed in terms of clause 27.3.7 of the Memorandum of Incorporation.

ADDITIONAL INFORMATION IN RESPECT OF ORDINARY RESOLUTION NUMBER 8

In terms of the provisions of clause 27.3.7 of the Memorandum of Incorporation, the Board has the power to appoint any person as director, provided that such appointment must be confirmed by the shareholders at the next Annual General Meeting of the Company.

9. APPOINTMENT OF MEMBER OF THE AUDIT AND RISK COMMITTEE

ORDINARY RESOLUTION NUMBER 9

Resolved that, subject to the passing of Ordinary Resolution Number 5, Mr N P Mageza, being eligible and offering himself for re-election, be and is hereby appointed as a member of the Audit and Risk Committee for the financial year ending 30 June 2018.

10. APPOINTMENT OF MEMBER OF THE AUDIT AND RISK COMMITTEE

ORDINARY RESOLUTION NUMBER 10

Resolved that, subject to the passing of Ordinary Resolution Number 6, Mr P J Moleketi, being eligible and offering himself for re-election, be and is hereby appointed as a member of the Audit and Risk Committee for the financial year ending 30 June 2018.

11. APPOINTMENT OF MEMBER OF THE AUDIT AND RISK COMMITTEE

ORDINARY RESOLUTION NUMBER 11

Resolved that, subject to the passing of Ordinary Resolution Number 7, Mr F Robertson, being eligible and offering himself for re-election, be and is hereby appointed as a member of the Audit and Risk Committee for the financial year ending 30 June 2018.

12. APPOINTMENT OF MEMBER OF THE AUDIT AND RISK COMMITTEE

ORDINARY RESOLUTION NUMBER 12

Resolved that Ms S E N De Bruyn Sebotsa, being eligible and offering herself for re-election, be and is hereby appointed as a member of the Audit and Risk Committee for the financial year ending 30 June 2018.

ADDITIONAL INFORMATION IN RESPECT OF ORDINARY RESOLUTIONS NUMBERS 9 TO 12

In terms of the provisions of section 94(2) of the Companies Act, a public company shall at every Annual General Meeting elect an Audit Committee comprising at least three members. Brief curricula vitae of the independent non-executive directors proposed to be appointed to the Audit and Risk Committee appear on pages 14 and 15 of the Integrated Annual Report. As is evident from the curricula vitae of these directors, all of them have academic qualifications or experience in one or more of the following areas, i.e. economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resources.

13. GENERAL AUTHORITY TO PLACE ORDINARY SHARES UNDER THE CONTROL OF THE DIRECTORS

ORDINARY RESOLUTION NUMBER 13

Resolved that the unissued ordinary shares in the authorised share capital of the Company be and is hereby placed under the control of the Board, who is hereby authorised, as a general authority in terms of the Memorandum of Incorporation, to allot and issue any such shares upon such terms and conditions as the Board in their sole discretion may deem fit, subject to the provisions of the Companies Act, the Memorandum of Incorporation and the listings requirements of the exchange operated by JSE Limited (JSE) (Listings Requirements), to the extent applicable, provided that the aggregate number of ordinary shares to be allotted and issued in terms of this Ordinary Resolution Number 13 is limited to 5% of the number of the unissued ordinary shares in the authorised share capital of the Company at the date of this Notice of Annual General Meeting (being 23 539 150 ordinary shares).

ADDITIONAL INFORMATION IN RESPECT OF ORDINARY RESOLUTION NUMBER 13

Clause 6.7 of the Memorandum of Incorporation provides that the Board may resolve to issue authorised shares, but only to the extent that such issue has been approved by the shareholders in general meeting, either by way of a general or specific authority. The purpose of Ordinary Resolution Number 13 is to provide such general authority, which shall remain subject to the provisions of and all limitations contained in the Companies Act, the Memorandum of Incorporation and the Listings Requirements, to the extent applicable. The authority in terms of Ordinary Resolution Number 13 cannot be used to issue shares for cash as contemplated in the Listings Requirements.

14. NON-BINDING ADVISORY VOTE ON REMUNERATION POLICY

ORDINARY RESOLUTION NUMBER 14

Resolved that the Company's Remuneration Policy, as set out in the Remuneration Report on page 81 of the Integrated Annual Report, be and is hereby endorsed by way of a non-binding advisory vote.

15. NON-BINDING ADVISORY VOTE ON REMUNERATION IMPLEMENTATION REPORT

ORDINARY RESOLUTION NUMBER 15

Resolved that the Company's Implementation Report in regard to its Remuneration Policy, as set out in the Remuneration Report on page 81 of the Integrated Annual Report, be and is hereby endorsed by way of a non-binding advisory vote.

ADDITIONAL INFORMATION IN RESPECT OF ORDINARY RESOLUTIONS NUMBERS 14 AND 15

In terms of the Listings Requirements, the Company's Remuneration Policy and Implementation Report in regard to its Remuneration Policy must be tabled every year for separate non-binding advisory votes by the shareholders of the Company at the Annual General Meeting. In the event that any of Ordinary Resolutions Numbers 14 or 15 is voted against by 25% or more of the votes exercised on them, the Company shall engage with the dissenting shareholders in the manner set out in the Remuneration Report on page 81 of the Integrated Annual Report.

16. APPROVAL OF DIRECTORS' REMUNERATION

SPECIAL RESOLUTION NUMBER 1

Resolved that directors' fees for services rendered (excluding VAT) as directors for the financial year ending 30 June 2018 be determined on the following basis:

Type of fee (R)	Proposed fee for the year ending 30 June 2018	Fee for the year ended 30 June 2017
Board member	**345 000**	321 000
Chairman of the Audit and Risk Committee	**260 000**	214 000
Member of the Audit and Risk Committee	**130 000**	107 000
Member of the Remuneration and Nomination Committee	**57 500**	53 500
Chairman of the Social and Ethics Committee	**100 000**	53 500
Member of the Social and Ethics Committee	**57 500**	53 500

ADDITIONAL INFORMATION IN RESPECT OF SPECIAL RESOLUTION NUMBER 1

The reason for and the effect of Special Resolution Number 1 is to approve the remuneration payable by the Company to its directors for their services as directors of the Company for the financial year ending 30 June 2018.

17. GENERAL AUTHORITY TO REPURCHASE SHARES

SPECIAL RESOLUTION NUMBER 2

Resolved that the Board be and is hereby authorised, by way of a renewable general authority in terms of the provisions of the Listings Requirements and as permitted in terms of the Memorandum of Incorporation, to approve the purchase of its own ordinary shares by the Company, or to approve the purchase of ordinary shares in the Company by any subsidiary of the Company, upon such terms and conditions as the Board may from time to time determine, provided that:

- this general authority shall be valid until the Company's next Annual General Meeting or for 15 months from the date of passing of this resolution, whichever period is shorter;
- the ordinary shares be purchased through the order book of the trading system of the JSE and done without any prior understanding or arrangement between the Company and/or the relevant subsidiary and the counterparty (reported trades are prohibited);
- an announcement complying with paragraph 11.27 of the Listings Requirements be published by the Company (i) when the Company and/or its subsidiaries have cumulatively repurchased 3% of the ordinary shares in issue as at the time when the general authority was given (the initial number) and (ii) for each 3% in the aggregate of the initial number of the ordinary shares acquired thereafter by the Company and/or its subsidiaries;
- the repurchase by the Company of its own ordinary shares shall not in the aggregate in any one financial year exceed 10% of the Company's issued ordinary share capital as at the beginning of the financial year, provided that the acquisition of ordinary shares as treasury shares by a subsidiary of the Company shall not be effected to the extent that in aggregate more than 10% of the number of issued ordinary shares of the Company at the relevant times are held by or for the benefit of the subsidiaries of the Company taken together;
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the ordinary shares for the five business days immediately preceding the date on which the transaction is effected;
- at any point in time the Company may only appoint one agent to effect any repurchase on the Company's behalf or on behalf of any subsidiary of the Company;
- subject to the exceptions contained in the Listings Requirements, the Company and the Group will not repurchase ordinary shares during a prohibited period (as defined in the Listings Requirements) unless they have in place a repurchase programme where the dates and quantities of shares to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been disclosed to the JSE, as required, prior to the commencement of the prohibited period;
- prior to the repurchase, a resolution has been passed by the Board confirming that the Board has authorised the repurchase, that the Company and its subsidiaries satisfy the solvency and liquidity test contemplated in the Companies Act, and that since the test was done there have been no material changes to the financial position of the Group; and
- such repurchases will be subject to the applicable provisions of the Companies Act, the Memorandum of Incorporation, the Listings Requirements and the Exchange Control Regulations 1961.

It is the intention of the Board to use this general authority should prevailing circumstances (including the tax dispensation and market conditions) warrant it in their opinion.

The Company's directors undertake that they will not implement any such repurchases while this general authority is valid, unless –

- the Company and the Group will be able, in the ordinary course of business, to pay its debts for a period of 12 months after the date of the general repurchase;
- the assets of the Company and the Group will exceed their liabilities for a period of 12 months after the date of the general repurchase. For this purpose, the assets and liabilities are recognised and measured in accordance with the accounting policies used in the Company's latest audited annual Group financial statements;

- the Company and the Group will have adequate share capital and reserves for ordinary business purposes for a period of 12 months after the date of the general repurchase; and
- the working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the general repurchase.

ADDITIONAL INFORMATION IN RESPECT OF SPECIAL RESOLUTION NUMBER 2

The reason for and the effect of Special Resolution Number 2 is to grant the Board a general authority to approve the Company's repurchase of its own ordinary shares and to permit a subsidiary of the Company to purchase ordinary shares in the Company.

For the purposes of considering Special Resolution Number 2 and in compliance with paragraph 11.26 of the Listings Requirements, the information listed below has been included in the Integrated Annual Report, in which this Notice of Annual General Meeting is included, at the places indicated:

- Major shareholders (page 115);
- Share capital of the Company (pages 47 of the Annual Financial Statements and 115 of the Integrated Annual Report).

The directors, whose names are set out on pages 14 and 15 of the Integrated Annual Report, collectively and individually accept full responsibility for the accuracy of the information contained in this Special Resolution Number 2 and certify, to the best of their knowledge and belief, that there are no other facts, the omission of which would make any statement false or misleading and that they have made all reasonable queries in this regard and that this resolution contains all information required by law and the Listings Requirements.

There has been no material change in the financial or trading position of the Company and the Group that has occurred since the end of the last financial period for which either audited annual financial statements or unaudited interim reports have been published.

18. GENERAL AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE FOR THE SUBSCRIPTION AND/OR PURCHASE OF SECURITIES IN THE COMPANY OR IN RELATED OR INTER-RELATED COMPANIES

SPECIAL RESOLUTION NUMBER 3

Resolved that the Board be and is hereby authorised in terms of section 44(3)(a)(ii) of the Companies Act as a general approval (which approval will be in place for a period of two years from the date of adoption of this Special Resolution Number 3), to authorise the Company to provide financial assistance by way of a loan, guarantee, the provision of security or otherwise to any related or inter-related company of the Company ("related" and "inter-related" will herein have the meanings attributed to those terms in section 2 of the Companies Act) and/or to any financier of the Company or any of its related or inter-related companies for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company of the Company, or for the purchase of any securities of the Company or a related or inter-related company of the Company, on the terms and conditions and for the amounts that the Board may determine.

The Board undertakes that it will not adopt a resolution to authorise such financial assistance, unless the Board is satisfied that –

- immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test as contemplated in the Companies Act; and
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

The main purpose for this authority is to grant the Board the authority to authorise the Company to provide financial assistance to the financiers of the Group for the purposes of the subscription and/or purchase of securities in subsidiaries of the Company, to fund the activities of the Group.

ADDITIONAL INFORMATION IN RESPECT OF SPECIAL RESOLUTION NUMBER 3

The reason for and the effect of Special Resolution Number 3 is to provide a general authority to the Board for the Company to provide financial assistance to its related and inter-related companies and/or the financiers of the Group for the purposes of the subscription of options and/or securities, issued or to be issued by the Company or its related or inter-related companies, or for the purchase of any securities of the Company or its related or inter-related companies, to fund the activities of the Group.

19. GENERAL AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE TO RELATED AND INTER-RELATED COMPANIES AND CORPORATIONS

SPECIAL RESOLUTION NUMBER 4

Resolved that the Board be and is hereby authorised in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval (which approval will be in place for a period of two years from the date of adoption of this Special Resolution Number 4), to authorise the Company to provide any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to such term in section 45(1) of the Companies Act) that the Board may deem fit to any related or inter-related company or corporation of the Company ("related" and "inter-related" will herein have the meanings attributed to those terms in section 2 of the Companies Act), on the terms and conditions and for the amounts that the Board may determine.

The main purpose for this authority is to grant the Board the authority to authorise the Company to provide inter-group loans and other financial assistance for purposes of funding the activities of the Group. The Board undertakes that –

- it will not adopt a resolution to authorise such financial assistance, unless the Board is satisfied that –
  - immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test as contemplated in the Companies Act; and
  - the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company; and
- written notice of any such resolution by the Board shall be given to all shareholders of the Company and any trade union representing its employees –
  - within 10 business days after the Board adopted the resolution, if the total value of the financial assistance contemplated in that resolution, together with any previous such resolution during the financial year, exceeds 0.1% of the Company's net worth at the time of the resolution; or
  - within 30 business days after the end of the financial year, in any other case.

ADDITIONAL INFORMATION IN RESPECT OF SPECIAL RESOLUTION NUMBER 4

The reason for and the effect of Special Resolution Number 4 is to provide a general authority to the Board for the Company to grant direct or indirect financial assistance to any company or corporation forming part of the Group, including in the form of loans or the guaranteeing of their debts.

NOTICE TO SHAREHOLDERS OF THE COMPANY IN TERMS OF SECTION 45(5) OF THE COMPANIES ACT OF A RESOLUTION ADOPTED BY THE BOARD AUTHORISING THE COMPANY TO PROVIDE DIRECT OR INDIRECT FINANCIAL ASSISTANCE TO RELATED AND INTER-RELATED COMPANIES AND CORPORATIONS

- By the time this Notice of the Annual General Meeting is delivered to shareholders, the Board will have adopted a resolution (Section 45 Board Resolution) authorising the Company to provide, at any time and from time to time during the period commencing on the date on which Special Resolution Number 4 is adopted until the date of the next Annual General Meeting of the Company, any direct or indirect financial assistance as contemplated in section 45 of the Companies Act to any one or more related or inter-related companies or corporations of the Company. The financial assistance will entail loans and other financial assistance to subsidiaries of the Company (being related or inter-related companies of the Company) for purposes of funding the activities of the Group.
- The Section 45 Board Resolution will be effective only if and to the extent that Special Resolution Number 4 is adopted by the shareholders and the provision of any such financial assistance by the Company, pursuant to such resolution, will always be subject to the Board being satisfied that (1) immediately after providing such financial assistance, the Company will satisfy the solvency and liquidity test as referred to in section 45(3)(b)(i) of the Companies Act; and that (2) the terms under which such financial assistance is to be given are fair and reasonable to the Company as referred to in section 45(3)(b)(ii) of the Companies Act.

- Inasmuch as the Section 45 Board Resolution contemplates that such financial assistance will, in the aggregate, exceed 0.1% of the Company's net worth at the date of adoption of such resolution, the Company hereby provides notice of the Section 45 Board Resolution to shareholders. The Company does not have any employees represented by a trade union.

20. REPORT BY SOCIAL AND ETHICS COMMITTEE

The Company's Social and Ethics Committee Report, included on page 70 of the Integrated Annual Report, read with the detailed Sustainable Development Report published on the Company's website at www.remgro.com, will serve as the Social and Ethics Committee's Report to the Company's shareholders on the matters within its mandate at the Annual General Meeting. Any specific questions to the Committee may be sent to the Company Secretary prior to the Annual General Meeting.

And to transact any other business that may be transacted at an Annual General Meeting.

RECORD DATES

The record date in terms of section 59 of the Companies Act for shareholders to be recorded on the securities register of the Company in order to receive this Notice of the Annual General Meeting is Friday, 13 October 2017.

The record date in terms of section 59 of the Companies Act for shareholders to be recorded on the securities register of the Company in order to be able to attend, participate and vote at the Annual General Meeting is Friday, 24 November 2017, and the last day to trade in the Company's shares in order to be recorded on the securities register of the Company in order to be able to attend, participate and vote at the Annual General Meeting is Tuesday, 21 November 2017.

APPROVALS REQUIRED FOR RESOLUTIONS

Ordinary Resolutions Numbers 1 to 15 contained in this Notice of Annual General Meeting require the approval by more than 50% of the votes exercised on the resolutions by shareholders present or represented by proxy at the Annual General Meeting, subject to the provisions of the Companies Act, the Memorandum of Incorporation and the Listings Requirements. Ordinary Resolutions Number 14 and 15 are non-binding advisory votes.

Special Resolutions Numbers 1 to 4 contained in this Notice of Annual General Meeting require the approval by at least 75% of the votes exercised on the resolutions by shareholders present or represented by proxy at the Annual General Meeting, subject to the provisions of the Companies Act, the Memorandum of Incorporation and the Listings Requirements.

Equity securities held by a share trust or scheme of the Company will not have their votes taken into account for the purposes of resolutions passed in terms of the Listings Requirements. Shares held as treasury shares may also not vote.

ATTENDANCE AND VOTING BY SHAREHOLDERS OR PROXIES

Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own name" registration are entitled to attend and vote at the Annual General Meeting and are entitled to appoint a proxy or proxies (for which purpose a form of proxy is attached hereto) to attend, speak and vote in their stead. The person so appointed as proxy need not be a shareholder of the Company. Proxy forms must be lodged with the Transfer Secretaries of the Company, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa, or posted to the Transfer Secretaries at PO Box 61051, Marshalltown, 2107, South Africa, to be received by them not later than Monday, 27 November 2017, at 10:30 (South African time) for administrative purposes, provided that any form of proxy not delivered to the Transfer Secretary by this time may be handed to the chairman of the Annual General Meeting at any time before the appointed proxy exercises any shareholder rights at the Annual General Meeting.

Proxy forms must only be completed by shareholders who have not dematerialised their shares or who have dematerialised their shares with "own name" registration.

On a show of hands, every person present and entitled to exercise voting rights shall be entitled to one vote, irrespective of the number of votes that person would otherwise be entitled to exercise. On a poll, every holder of ordinary shares shall be entitled to one vote per ordinary share held and every holder of B ordinary shares shall be entitled to 10 votes per B ordinary share held.

Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own name" registration, should contact their Central Securities Depository Participant (CSDP) or broker in the manner and time stipulated in their agreement –

- to furnish them with their voting instructions; or
- in the event that they wish to attend the meeting, to obtain the necessary authority to do so.

Shareholders or their proxies or representatives may participate in (but not vote at) the meeting by way of telephone conference call, and if they wish to do so:

- must contact the Company Secretary (by email at the address dh@remgro.com) by no later than five business days prior to the Annual General Meeting in order to obtain a pin number and dial-in details for that conference call;
- will be required to provide reasonably satisfactory identification; and
- will be billed separately by their own telephone service providers for their telephone call to participate in the meeting. Shareholders and their proxies or their representatives will not be able to vote telephonically at the meeting and will still need to appoint a proxy or representative to vote on their behalf at the meeting.

PROOF OF IDENTIFICATION REQUIRED

In terms of the Companies Act, any shareholder or proxy who intends to attend or participate at the Annual General Meeting must be able to present reasonably satisfactory identification at the meeting for such shareholder or proxy to attend and participate at the Annual General Meeting. A green barcoded identification document or a barcoded identification smart card issued by the South African Department of Home Affairs, a driver's licence or a passport will be accepted at the Annual General Meeting as sufficient identification.

By order of the Board of Directors.

D I Heynes
Company Secretary

Stellenbosch
20 September 2017