

RH Bophelo Limited
 Incorporated in the Republic of South Africa
 (Registration number: 2016/533398/06)
 JSE share code: RHB, ISIN: ZAE000244737
 ("RHB" or "the Company")

UNAUDITED CONDENSED CONSOLIDATED INTERIM HALF YEAR RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2018

INTRODUCTION

The board of directors ("the Board") of the Company is pleased to present the results for the six months ended 31 August 2018.

RHB was incorporated on 13 December 2016 and successfully listed as a Special Purpose Acquisition Company ("SPAC") on the Johannesburg Stock Exchange ("JSE") on 12 July 2017, raising R500 000 000 through the issue of 50 000 000 "A" ordinary shares at R10 a share.

On 26 April 2018, RHB successfully acquired viable healthcare assets as a SPAC and has subsequently applied for its reclassification with JSE. JSE has completed the reclassification of RHB on 30 September 2018 after the acquisition of viable assets. The company is an investment entity.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED
 31 AUGUST 2018

	Aug-18 Unaudited R	Aug-17 Unaudited R	Feb-18 Audited R
Administrative and other operating expenditure	(2 140 398)	(965 912)	(12 522 732)
Finance income	15 832 157	6 606 885	20 827 263
Fair value on investment of fair value through profit or loss	29 985 263	-	-
Income before taxation	43 677 023	5 640 974	8 304 531
Taxation	(10 550 392)	-	(468 619)
Income for period	33 126 631	5 640 974	7 835 912
Other comprehensive income	-	-	-
Total comprehensive income for the period	33 126 631	5 640 974	7 835 912
Earnings per share (cents)			
Basic and diluted income per share (cents)	65,18	40,70	24,70
Weighted average number of shares	50 821 918	13 858 696	31 780 822

Note: The company issued 1 250 000 shares in a share for share transaction in the acquisition of Africa Healthcare in April 2018 and there were no dilutive instruments in issue.

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2018

	Aug-18 Unaudited R	Aug-17 Unaudited R	Feb-18 Audited R
ASSETS			
Non-current assets			
Investments at fair value	171 285 263	-	-
Current assets			
Cash and cash equivalents	377 145 871	493 841 038	499 177 878
Related party loans	1 336 283	-	-
Account receivables	4 527 025	-	-
	383 009 180	493 841 038	499 177 878
Total assets	554 294 443	493 841 038	499 177 878
EQUITY AND LIABILITIES			
Share capital			
Retained income	500 326 373	487 577 373	487 826 373
	40 962 543	5 640 973	7 835 912
Total equity	541 288 917	493 218 346	495 662 285
Other payables			
	2 455 134	622 692	3 515 593
Deferred tax	10 550 526	-	-

Current liabilities	13 005 526	622 692	3 515 593
Total equity and liabilities	554 294 443	493 841 038	499 177 878
Net asset value per share (R)	10,56	9,86	9,91
Shares in issue	51 250 000	50 000 000	50 000 000

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31 AUGUST 2018

	Share Capital R	Retained Income R	Total Equity R
Opening balance as at 1 March 2017	-	-	-
Shares issued	500 000 000	-	500 000 000
Transactional costs	(12 173 627)	-	(12 173 627)
Total comprehensive income for the period	-	7 835 912	7 835 912
Balance at 28 February 2018	487 826 373	7 835 912	495 662 285
Shares issued	12 500 000	-	12 500 000
Transactional costs	-	-	-
Total comprehensive income for the period	-	33 126 631	33 126 631
Balance at 31 August 2018	500 326 373	40 962 543	541 288 917

CONDENSED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2018

	Aug-18 R Unaudited	Aug-17 R Unaudited	Feb-18 R Audited
Cash generated from operating activities	43 677 023	5 640 974	8 304 531
Income tax paid	(800 000)	-	(468 619)
Non-cash items			
Fair value gains on investments	(29 985 263)	-	-
Changes in working capital			
Increase in receivables	(3 727 025)	-	-
(Decrease)/Increase in payables	(1 060 459)	622 692	3 515 593
Net cash inflow from operating activities	8 104 276	6 263 666	11 351 505
Cash flow from investing activities			
Acquisition of Investments in fair value through profit or loss	(128 800 000)	-	-
Net cash outflow from investing activities	(128 800 000)	-	-
Cash flow from financing activities			
Related party loans	(1 336 283)	-	-
Proceeds on share issue	-	487 577 372	487 826 373
Net cash inflow from financing activities	(1 336 283)	487 577 372	487 826 373
Net movement in cash and cash equivalents	(122 032 008)	493 841 038	499 177 878
Cash and cash equivalents at beginning of the period	499 177 878	1	-
Cash and cash equivalents at the end of the period	377 145 871	493 841 039	499 177 878

SEGMENTAL REPORTING

The Board has considered the implications of IFRS 8: Operating segments and are of the opinion that the current operations of the Company constitute one operating segment.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Basic and Headline earnings per share

From continuing operations

Basic earnings per share was based on profit after tax of R33 126 631 (prior year period: R5 640 974) and weighted average number of ordinary shares of 50 821 918 (prior year period: 13 858 696).

Earnings per share	2018	2017
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Basic and diluted income per share (cents)	65,18	40,70
Earnings (R)	33 126 631	5 640 974

Headline earnings per share was based on profit after tax of R33 126 631 (prior year period: R5 640 974) and weighted average number of ordinary shares of 50 821 918 (prior year period: 13 858 696). There was no accounting write downs or sale of assets. All the earnings are based on capital investment activities.

Headline earnings per share	2018	2017
Headline and diluted income per share (cents)	65,18	40,70
Earnings (R)	33 126 631	5 640 974

INVESTMENTS

The Company acquired African Healthcare ("AHC"), Vryburg Private Hospital ("VPH") on 26 April 2018 and Rondebosch Medical Centre Proprietary Limited ("RMC") on 14 May 2018. The acquisition for AHC and VPH were both classified as Category 1 acquisitions in terms of the JSE Listings Requirements. The acquisitions resulted in the Company applying for a classification as an investment entity in terms of the JSE Listings Requirements.

Details of the Rondebosch Medical Centre acquisition:

On 14 May 2018, the Company acquired 30% of the equity in Rondebosch Medical Centre Proprietary Limited ("RMC") by way of a subscription of new RMC shares and the provision of a shareholder loan, and acquire a call option which entitles the Company to acquire an additional 21% of the issued shares in RMC on the 4th anniversary of the Company's initial investment. Based on independent valuation at acquisition date, the business was valued at R34,6 million.

RELATED PARTIES

RH Managers Proprietary Limited ("RHM") and Thirdway Investments Proprietary Limited ("TWI") separately owns 30% of RH Bophelo Management Company Proprietary Limited ("RHBM"), therefore has significant influence on the affairs and operations of RHB. Some of the directors of RHBM and RHM are also executive directors of RHB, whilst a non-executive director of the Company is a partner in TWI.

Management fees

RH Bophelo Management Company Proprietary Limited ("RHBM") provides Management Services to RHB. Management fees are 0,7% per quarter of the total capital raised, as long as the Company has not made investment for over R281 million. Management fees paid to RHBM in the current period amounted to R882 192. An amount of R214 310 was included in other payables at period end.

Professional fees

Professional fees of R900 000 were paid by the Company to Thirdway Investments Proprietary Limited. These payments were made for corporate advisory services.

Subsidiary

RH Bophelo Operating Company Proprietary Limited, a wholly owned subsidiary of the Company. An amount of R1 492 261,52 (nil in the prior period) was included in other receivables at period end.

COMPARATIVE INFORMATION

The purpose of this report is to provide a half year report on the performance of the business and its investments. The full information for the prior financial year end will be enclosed as a comparison and the half year information for 2018.

BASIS OF PREPARATION

The interim results have been prepared in accordance with the framework concepts and the recognition and measurement principles 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 Committee presented in accordance with the minimum content, including disclosures, prescribed by IAS 34: Interim Financial Reporting applied to year-end reporting, the Companies Act of South Africa, and the JSE Limited's Listings Requirements ("Listings Requirements").

These condensed financial results have been extracted from the interim financial statements of RHB which have been prepared under the supervision of the Financial Director, Dion Mhlaba CA(SA). These condensed half year financial results and any forward-looking statements in this announcement have not themselves been audited nor reviewed by the external auditors. The Board takes full responsibility for the preparation of this report and ensuring that the financial information has been correctly prepared.

ACCOUNTING POLICIES

The accounting policies applied in the preparation of these interim results for the six months ended 31 August 2018 are in terms of IFRS and are consistent with those applied in the preparation of the annual financial.

FINANCIAL OVERVIEW

Financial Performance

The key financial results reflected in these inaugural interim financial results are:

RHB recorded an operating profit of R33 126 631 to date 31 August 2018 (August 2017: R5 640 974) which comprises of finance income of R15 832 157 (prior year period: R6 606 885) and fair gains on investments held at fair value through profit or loss for R29 985 263 (prior year period: Nil).

Basic earnings per share and headline earnings per share amounted 65,18 (prior year period: 40,70) cents respectively. The reported net income should be viewed in the context of the following:

- RHB listed on the JSE on 12 July 2017, and did not engage in any commercial trade prior to listing;
- On listing, the Company issued 50 000 000 shares and raised R500 million;
- Additional 1 250 000 shares were issued as part of the AHC transaction in May 2018 at VWAP of R10 per share;
- The reported expenses R2 140 398 for this period is therefore comprised of the permissible and budgeted expenses;
- The Company had taxable income of R43 677 023;
- RHB has acquired 60% of African Health Care ("AHC"), 81% of Vryburg Private Hospital ("VPH") and 30% Rondebosch Medical Centre ("RMC"); and
- The investments in AHC, VPH and RMC have resulted in the fair value gain of R29 985 263 in the interim period.

Before listing, the Board made it known to the market that the Company was seeking the acquisition of a viable asset in the Healthcare industry. Since the listing, management has been diligently reviewing various potential acquisition opportunities and is continuously engaging with potential vendors on propositions that could satisfy the Company's vision and values. The Company has sufficient resources to make a significant investment, using cash, equity and debt, or any combination thereof as deemed appropriate by management and the Board.

The acquisition of the viable assets were approved by shareholders on 26 April 2018 in line with JSE Listings Requirements.

SUBSEQUENT EVENTS

There are no subsequent events.

GOING CONCERN

The Board has undertaken a detailed review of the going concern capability of the Company with reference to certain assumptions and plans underlying various internal cash flow forecasts.

The Board has not identified any events or conditions that individually or collectively cast significant doubt on the ability of the Company to continue as a going concern.

DIVIDENDS

No dividend has been declared during the period under review.

On behalf of the Board

Quinton Zunga
CEO

Johannesburg
16 November 2018

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3rd floor, 18 Melrose Boulevard
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Johannesburg, 2076
South Africa

Directors
Q Zunga (Chief executive officer)
KD Mhlaba (Chief financial officer)
VP Nomvalo (Executive director)
*MP Mehlape (Non-executive Director)
JR Oliphant (Non-executive chairman)
Dr. PD Sekete (Non-executive Director)
Dr. SG Motuba (Lead independent)
Dr. KR Ntshwana (Independent)
L Shezi (Independent)

Company Secretary
Corporate Vision Consulting Proprietary Limited
(Registration number 2015/006536/07)
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Transfer Secretaries
Computershare Investor Services Proprietary Limited
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15 Biermann Ave, Rosebank,
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Sponsor
Deloitte & Touche Sponsor Services Proprietary Limited
(Registration number 1996/000034/07)
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* reclassified as a non-executive director in the current year from chief operating officer on 31 July 2018.