

RECM and Calibre Limited
(Incorporated in the Republic of South Africa)
Registration number 2009/012403/06
Preference Share Code: RACP
ISIN: ZAE000145041
("RAC" or "the Company")



PREPARED COMMENTS FROM RAC SHAREHOLDERS MEETING

At a meeting of shareholders with RAC's executive directors, held via Microsoft Teams on 28 July 2021 at 11:00, the following prepared comments were shared with attendees. In the interest of sharing this information equally with all shareholders, the statement is published on SENS and on the RAC website www.racltd.co.za.

Dear fellow shareholders

The Goldrush Group (Pty) Ltd ("Goldrush") now comprises the bulk of the asset value of RAC. We are in the process of disposing of all other assets. Proceeds will be applied in such a way as to enhance the per-share net asset value of the Company.

COVID Lockdowns

Since financial year-end, Goldrush experienced strong trading in April, May and the early part of June 2021. With the implementation of stricter lockdowns as from 27 June 2021, all Bingo properties were closed, while some sports betting premises and a small number of limited payout machines ("LPM's") were allowed to operate. Online gaming traded well. For all practical purposes, Goldrush's physical operations were closed for the month of lockdowns. As from 26 July 2021, all activities have resumed, subject to the relevant national and provincial regulations. For trade to return to normal levels, Goldrush would require curfew hours to be further extended or removed.

In planning its cashflows, banking facilities and dividend commitments, Goldrush has provided for COVID lockdowns in the financial year. The June/July lockdown therefore has not changed any of its strategic plans.

Political unrest

Goldrush sustained limited damage during the recent wave of unrest in KwaZulu Natal and Gauteng. The extent of the damage was limited to the partial destruction of 3 sports betting stores in KwaZulu Natal and the loss of 20 LPM's in Gauteng. The company incurred some expense to ensure the safety of its staff and facilities and for the provision of emergency and essential products to affected staff. The total cost to replace damaged property is less than R5 million, and Goldrush has the appropriate SASRIA cover in place.

RAC's strategy

RAC's strategy is to realise the best possible price for its remaining assets apart from Goldrush, and to apply those proceeds to increase the net asset value per share of the Company, either through debt repayments or share buy-backs. Goldrush expects to start paying dividends in the foreseeable future, and RAC will apply such income in the same way.

Cape Town
28 July 2021



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