

REINET INVESTMENTS S.C.A.

COMPANY ANNOUNCEMENT FOR IMMEDIATE RELEASE

23 JULY 2024

MANAGEMENT STATEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2024

The Board of Directors of Reinet Investments Manager S.A. announces the results of Reinet Investments S.C.A. for the quarter ended 30 June 2024.

Key financial data

- **Reinet's net asset value of € 6.3 billion reflects a compound growth rate of 8.8 per cent per annum in euro terms, since March 2009, including dividends paid**
- **The net asset value at 30 June 2024 reflects an increase of € 99 million or 1.6 per cent from € 6 184 million at 31 March 2024**
- **Net asset value per share at 30 June 2024: € 34.56 (31 March 2024: € 34.02)**
- **Commitments totalling € 71 million were funded during the quarter, no significant new commitments were made**
- **Dividend from British American Tobacco p.l.c. amounted to € 34 million**
- **Dividend from Pension Insurance Corporation Group Limited amounted to € 85 million**

Reinet Investments S.C.A. (the 'Company') is a partnership limited by shares incorporated in the Grand Duchy of Luxembourg and having its registered office at 35 boulevard Prince Henri, L-1724 Luxembourg. It is governed by the Luxembourg law on securitisation and in this capacity allows its shareholders to participate indirectly in the portfolio of assets held by its wholly-owned subsidiary Reinet Fund S.C.A., F.I.S. ('Reinet Fund'), a specialised investment fund also incorporated in Luxembourg. The Company's ordinary shares are listed on the Luxembourg Stock Exchange, Euronext Amsterdam and the Johannesburg Stock Exchange; the listing on the Johannesburg Stock Exchange is a secondary listing. The Company's ordinary shares are included in the 'LuxX' index of the principal shares traded on the Luxembourg Stock Exchange. The Company and Reinet Fund together with Reinet Fund's subsidiaries are referred to as 'Reinet'.

Cautionary statement regarding forward-looking statements

This document contains forward-looking statements which reflect the current views and beliefs of the Company, as well as assumptions made by the Company and information currently available. Words such as 'may', 'should', 'estimate', 'project', 'plan', 'believe', 'expect', 'anticipate', 'intend', 'potential', 'goal', 'strategy', 'target', 'will', 'seek' and similar expressions may identify forward-looking statements. Such forward-looking statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside Reinet's control. The Company does not undertake to update, nor does it have any obligation to provide updates or to revise, any forward-looking statements.

Reinet Investments S.C.A.

R.C.S. Luxembourg B 16 576

Legal Entity Identifier : 222100830RQTFVV22S80

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BUSINESS OVERVIEW

		30 June 2024		31 March 2024	
		€ m	%	€ m	%
Listed investments					
British American Tobacco p.l.c.	1 386	22.1		1 359	22.0
Other listed investments	106	1.7		93	1.5
Unlisted investments					
Pension Insurance Corporation Group Limited	3 401	54.1		3 436	55.6
Private equity and related partnerships	1 220	19.4		1 167	18.9
Trilantic Capital Partners	449	7.1		443	7.2
Funds and related general partners					
TruArc Partners	373	5.9		372	6.0
Funds, co-investment opportunities and management company					
Coatue funds	145	2.3		73	1.2
Asian private equity companies and portfolio funds	161	2.6		171	2.8
Milestone China Opportunities fund	3			13	
Prescient China funds and management company	124			124	
Asia Partners funds	34			34	
Specialised investment funds	92	1.5		108	1.7
NanoDimension funds and co-investment opportunities	92			107	
Other fund investments	-			1	
United States land development and mortgages	20	0.3		21	0.3
Other investments	75	1.2		75	1.2
Total investments	6 208	98.8		6 151	99.5
Cash and liquid funds	308	4.9		357	5.7
Bank borrowings	(234)	(3.7)		(229)	(3.7)
Other assets/(liabilities)					
Other assets net of minority interest, fees payable and other liabilities	1	-		(95)	(1.5)
Net asset value	6 283	100.0		6 184	100.0

All investments are held, either directly or indirectly, by Reinet Fund.

INFORMATION RELATING TO CURRENT KEY INVESTMENTS AT 30 JUNE 2024

	Committed amount ⁽¹⁾ in millions	Remaining committed amount ⁽¹⁾ in millions	Invested amount ⁽²⁾ in millions	Realised amount ⁽²⁾ in millions	Current fair value ⁽¹⁾ in millions	Total realised and unrealised value ⁽³⁾ in millions
Listed investments						
British American Tobacco p.l.c.	EUR - GBP -	- -	1 739 1 418	3 449 2 894	1 386 1 174	4 835 4 068
Other listed investments	EUR - USD -	- -	127 146	68 78	106 114	174 192
Unlisted investments						
Pension Insurance Corporation Group Limited	EUR - GBP -	- -	1 315 1 112	141 122	3 401 2 882	3 542 3 004
Trilantic Capital Partners	EUR 600 Euro investment US dollar investment ⁽⁴⁾	96 19 82	517 66 514	599 149 526	449 53 424	1 048 202 950
TruArc Partners	EUR 467 USD 500	127 136	327 364	227 255	373 400	600 655
Coatue funds	EUR 280 USD 300	141 151	139 149	- -	145 155	145 155
Asian private equity companies and portfolio funds						
Milestone China Opportunities funds and management company	EUR - USD -	- -	130 169	174 195	3 3	177 198
Prescient China funds and management company	EUR - USD -	- -	79 94	4 4	124 133	128 137
Asia Partners funds	EUR 68 USD 73	38 40	28 33	- -	34 36	34 36
Specialised investment funds						
NanoDimension funds and co-investment opportunities	EUR 174 Euro investment US dollar investment	42 - 187 45	129 4 142 68	62 5 68 99	92 - 99 167	154 5 167
United States land development and mortgages	EUR 200 USD 214	5 5	160 209	72 79	20 21	92 100

(1) Calculated using quarter-end foreign exchange rates.

(2) Calculated using actual foreign exchange rates at transaction date.

(3) Total of realised proceeds and current fair value.

(4) The invested amount for Trilantic Capital Partners includes an initial payment of \$ 10 million.

PERFORMANCE **NET ASSET VALUE**

The NAV comprises total assets less total liabilities, and equates to total equity under International Financial Reporting Standards. The increase in the NAV of € 99 million during the quarter reflects increases in the estimated fair value of certain investments including British American Tobacco p.l.c. ('BAT'), other listed investments, Trilantic Capital Partners, TruArc Partners and Coatue funds together with dividends from BAT and Pension Insurance Corporation Group Limited ('Pension Corporation'). Offsetting these increases are decreases in the estimated fair value of certain investments including Pension Corporation and NanoDimension funds together with accrued expenses in respect of management and performance fees.

Details of the Company's NAV and details of movements in key investments can be found on pages 2 and 3 of this report.

Reinet records its assets and liabilities in euro; the strengthening of sterling and the US dollar against the euro during the quarter has resulted in an overall increase in the value of certain assets and liabilities in euro terms. Applying current quarter-end exchange rates to the March 2024 assets and liabilities would have resulted in an increase in the March 2024 NAV of some € 54 million.

SHARE BUYBACK PROGRAMME

As at 30 June 2024, there was no share buyback programme in progress.

The Company repurchased 14 151 395 ordinary shares between November 2018 and May 2022 under five share buyback programmes. The cost of the ordinary shares repurchased amounted to € 222 million, plus transaction costs.

All ordinary shares repurchased are held as treasury shares.

NET ASSET VALUE PER SHARE

The NAV per share of the Company is calculated by dividing the NAV by the number of shares outstanding (excluding treasury shares) of 181 790 891 (31 March 2024: 181 790 891).

	30 June 2024	31 March 2024
Shares in issue	195 942 286	195 942 286
Treasury shares	(14 151 395)	(14 151 395)
Net shares	181 790 891	181 790 891
	€ m	€ m
NAV (see page 2)	6 283	6 184
	€ per share	€ per share
NAV per share	34.56	34.02

SHARE PRICE

The Company's indicative share price as quoted on the Luxembourg Stock Exchange increased by 7.2 per cent in the quarter from € 22.20 at 31 March 2024 to € 23.80 at 30 June 2024. The total shareholder return since inception (taking into account the initial price of € 7.1945 and including dividends paid) is 8.7 per cent per annum. The growth in NAV, including dividends paid, reflects an 8.8 per cent compounded increase since March 2009. The Company's ordinary shares are listed on the Luxembourg Stock Exchange, Euronext Amsterdam and the Johannesburg Stock Exchange; the listing on the Johannesburg Stock Exchange is a secondary listing.

Share prices as at 30 June 2024 and 31 March 2024 were as follows:

	30 June 2024		31 March 2024	
	ZAR	EUR	ZAR	EUR
Luxembourg	-	23.80	-	22.20
Amsterdam	-	23.80	-	22.20
Johannesburg	459.50	-	458.23	-

GLOBAL MARKETS BACKDROP

During the quarter, geopolitical uncertainty increased with many countries calling elections and global markets continuing to be impacted by the effects of the Ukraine crisis, turmoil in the Middle East, high interest rates and inflation. Whilst inflation and interest rates appear to have stabilised, the extent and impact of on-going world-wide factors remain uncertain.

Reinet has no direct exposure to Russia, Ukraine or the Middle East through its underlying investments or banking relationships and has not experienced any significant direct impacts in respect of interest rate fluctuations or inflation. Reinet has various banking relationships with highly rated institutions, and a well-diversified approach to cash and liquidity management.

Reinet continues to value its investments in line with the International Private Equity and Venture Capital Valuation ('IPEV') guidelines and its approved valuation procedures and methodologies. All investment valuations have been prepared using latest available data, including exchange rates and listed share prices as at 30 June 2024. Discussions have taken place with fund managers and investee companies to determine any significant changes in value and any impacts related to the various geo-political areas of conflict, volatility in stock and currency markets, interest rates, inflation and exposure to certain financial institutions. Future valuations will take into account any new impacts of the above, which could affect the valuation of underlying investments.

INVESTMENTS

Reinet seeks, through a range of investment structures, to build partnerships with other investors, specialised fund managers and entrepreneurs to find and develop opportunities for long-term value creation for its shareholders.

Since its formation in 2008, Reinet has invested some € 3.7 billion and at 30 June 2024 committed to provide further funding of € 457 million to its current investments. Commitments of € 71 million were funded during the quarter, however, no significant new commitments were made during the quarter.

LISTED INVESTMENTS

BRITISH AMERICAN TOBACCO P.L.C.

The investment in BAT remains one of Reinet's largest investments and is kept under constant review, considering the company's performance, the industry outlook, cash flows from dividends, stock market performance, volatility and liquidity.

Reinet holds 48.3 million shares in BAT (31 March 2024: 48.3 million) representing some 2.17 per cent of BAT's issued share capital as at 30 June 2024. The value of Reinet's investment in BAT amounted to € 1 386 million at 30 June 2024 (31 March 2024: € 1 359 million), being some 22.1 per cent of Reinet's NAV. The increase in value reflects the increase in the BAT share price on the London Stock Exchange from £ 24.06 at 31 March 2024 to £ 24.30 at 30 June 2024 together with the strengthening of sterling against the euro during the quarter.

Further information on BAT is available at www.bat.com/annualreport

OTHER LISTED INVESTMENTS

Other listed investments comprised:

	30 June 2024 € m	31 March 2024 € m
Grab Holdings Limited	35	31
Cartesian Therapeutics, Inc.	1	1
Soho China Limited	4	3
SPDR Gold shares	46	44
Twist Bioscience Corporation	20	14
	106	93

The increase in value mainly reflects increases in the listed share prices of Grab Holdings Limited and Twist Bioscience Corporation between 31 March 2024 and 30 June 2024, together with the strengthening of the US dollar against the euro during the quarter.

UNLISTED INVESTMENTS

Unlisted investments are carried at their estimated fair value. In determining fair value, Reinet Fund Manager S.A. relies on audited and unaudited financial statements of investee companies, management reports and valuations provided by third-party experts. Valuation methodologies applied include the NAV of investment funds, discounted cash flow models and comparable valuation multiples, as appropriate.

PENSION INSURANCE CORPORATION GROUP LIMITED

In the quarter ended 31 March 2024, Pension Corporation completed five new business transactions with total premiums of £ 1.5 billion for clients including De Beers and Next Group, with a further £ 1.4 billion in exclusivity which includes £ 1.2 billion in respect of the TotalEnergies UK Pension Plan announced on 3 July 2024.

In April 2024, the shareholders of Pension Corporation approved a dividend of 11.0 pence per ordinary share. Reinet's share of the dividend amounting to some € 85 million (£ 73 million) was received in May 2024.

Reinet's investment in Pension Corporation is carried at an estimated fair value of € 3 401 million at 30 June 2024 (31 March 2024: € 3 436 million). This value takes into account Pension Corporation's adjusted equity own funds value at 31 December 2023 of £ 6.3 billion (no adjustment has been made for the dividend paid of £ 147 million considering the value added by the new business written in the period), corresponding valuation multiples drawn from industry data for a selected UK insurance peer group as at 30 June 2024 and a discount of 10 per cent which takes into account the illiquid nature of Reinet's investment.

The decrease in Reinet's estimated fair value of Pension Corporation over the quarter is mainly due to a decrease in comparable company multiples derived from public information of listed peer-group companies in the UK insurance sector between 31 March 2024 and 30 June 2024, offset by the strengthening of sterling against the euro in the quarter.

The investment in Pension Corporation represents some 54.1 per cent of Reinet's NAV at 30 June 2024, compared to 55.6 per cent at 31 March 2024.

Further information on Pension Corporation is available at www.pensioncorporation.com

PRIVATE EQUITY AND RELATED PARTNERSHIPS

TRILANTIC CAPITAL PARTNERS

Reinet is invested as a limited partner in five Trilantic Capital Partners' funds and related general partners.

Reinet's investment is carried at an estimated fair value of € 449 million at 30 June 2024 (31 March 2024: € 443 million) of which € 4 million (31 March 2024: € 3 million) is attributable to the minority partner. The estimated fair value is based on unaudited valuation data provided by Trilantic Management at 31 March 2024 adjusted for changes in the value of listed investments included in the portfolios and cash movements up to 30 June 2024.

The increase in the estimated fair value reflects increases in estimated fair values of underlying investments together with the strengthening of the US dollar against the euro during the quarter offset by net distributions of € 2 million.

Further information on Trilantic is available at www.trilantic.com

TRUARC PARTNERS FUNDS, CO-INVESTMENT OPPORTUNITIES AND MANAGEMENT COMPANY

Reinet is invested in Snow Phipps II, Snow Phipps III, TruArc Fund IV, in two co-investment opportunities alongside Snow Phipps III, and in the management company.

In addition, Reinet has committed to invest € 17 million in TruArc Structured Opportunities Fund, LP. This amount will increase at subsequent closings. As at 30 June 2024, no capital has been called.

Reinet's investment is carried at an estimated fair value of € 373 million at 30 June 2024 (31 March 2024: € 372 million), based on unaudited valuation data provided by TruArc at 31 March 2024 adjusted for cash movements up to 30 June 2024.

The increase in the estimated fair value reflects increases in estimated fair values of underlying investments together with the strengthening of the US dollar against the euro in the quarter offset by net distributions of € 5 million.

Further information on TruArc Partners is available at www.truarcpartners.com

COATUE FUNDS

Reinet is invested in Coatue Structured Offshore Feeder Fund LP and Coatue Tactical Solutions CT Offshore Fund B LP.

Reinet's investment is carried at an estimated fair value of € 145 million at 30 June 2024 (31 March 2024: € 73 million), based on unaudited valuation data provided by Coatue at 31 March 2024 adjusted for cash movements up to 30 June 2024.

The increase in the estimated fair value reflects capital contributions of € 69 million during the quarter together with increases in estimated fair values of underlying investments and the strengthening of the US dollar against the euro.

Further information on Coatue is available at www.coatue.com

ASIAN PRIVATE EQUITY COMPANIES AND PORTFOLIO FUNDS

Milestone China Opportunities fund

Reinet is invested in Milestone China Opportunities Fund III L.P. ('Milestone III'), a fund managed by Milestone Capital. Milestone III is in the process of realising its remaining underlying investments.

The investment in Milestone III is held at an estimated fair value of € 3 million (31 March 2024: € 13 million) based on unaudited financial information provided by Milestone Capital at 31 March 2024 adjusted for movements in listed investments and cash movements up to 30 June 2024.

The decrease in the estimated fair value reflects distributions of € 10 million during the quarter together with decreases in estimated fair values of underlying investments offset by the strengthening of the US dollar against the euro.

Further information on Milestone is available at www.mcmchina.com

SPECIALISED INVESTMENT FUNDS

NanoDimension funds and co-investment opportunities

Reinet is a limited partner in NanoDimension II L.P., NanoDimension III L.P., NanoDimension IV L.P. and ND Capital Opportunity Fund I L.P., and is invested in one co-investment opportunity alongside NanoDimension II L.P.

At 30 June 2024, the estimated fair value of Reinet's investment amounted to € 92 million (31 March 2024: € 107 million) based on unaudited valuation data provided by ND Capital as at 31 March 2024 adjusted for movements in listed and unlisted investments (based on recent financial data provided by ND Capital), together with cash movements up to 30 June 2024.

The decrease in the estimated fair value reflects decreases in the value of underlying investments offset by capital contributions of € 6 million and the strengthening of the US dollar against the euro in the quarter.

Further information on NanoDimension is available at www.nd.capital

Further information on Reinet's investments may be found in the Reinet 2024 annual report which is available at www.reinet/investor-relations/reports.html.

CASH AND LIQUID FUNDS

Reinet holds cash on deposit principally in European-based banks and in liquidity funds holding highly rated short-term instruments.

Reinet's cash and liquid funds decreased from € 357 million at 31 March 2024 to € 308 million at 30 June 2024. During the quarter dividends received amounted to some € 117 million and distributions from underlying investments amounted to some € 18 million. Payments were made of some € 76 million in respect of underlying investments, a payment of € 109 million was made to Reinet Investment Advisors Limited in respect of management and performance fees which were accrued as at 31 March 2024 and other expenses amounted to some € 1 million. Changes in foreign exchange rates and other income amounted to some € 2 million.

BANK BORROWINGS

BORROWINGS

Reinet has a fixed-rate £ 100 million margin loan due to Citibank N.A., which is repayable in August 2024. At 30 June 2024, the estimated fair value of the loan amounted to € 117 million (31 March 2024: € 115 million). It is anticipated that this loan will be refinanced before the repayment date.

In addition, Reinet has a fixed-rate £ 100 million margin loan due to Bank of America, N.A., which is repayable in March 2025. At 30 June 2024, the estimated fair value of the loan amounted to € 117 million (31 March 2024: € 114 million).

The increase in the estimated fair value of both loans reflects the strengthening of sterling in the quarter, together with the reduction in the time remaining to maturity, offset by an increase in the discount rates used.

Some 15 million BAT shares have been pledged to collateralise these two loans.

In addition, Reinet has a facility agreement in place with Citibank N.A. up to August 2024 and with Bank of America, N.A. up to March 2025. These facilities allow Reinet to drawdown the equivalent of up to € 236 million (£ 200 million) in a combination of currencies to fund further investment commitments. As at 30 June 2024, no funds have been drawn under these facilities.

OTHER ASSETS/(LIABILITIES)

Other assets net of minority interest, fees payable and other liabilities comprise:

	30 June 2024 € m	31 March 2024 € m
Minority interest	(5)	(4)
Management fee	(9)	(19)
Performance fee	(4)	(90)
Tax provisions	(4)	(4)
Accruals and other payables, net of other receivables	(11)	(11)
BAT dividend receivable	34	33
Total other assets/(liabilities)	1	(95)

The minority interest liability is in respect of a minority partner's share in the gains and losses not yet distributed arising from the estimated fair value movement of investments in which they have interests.

A management fee of € 9 million and a performance fee of € 4 million are accrued in respect of the current quarter. The provision in respect of a potential performance fee is based on the indicative closing price of the Company's shares of € 23.80. In order for a performance fee to be payable at 31 March 2025, the volume weighted average market price of the Company's share determined by taking into account volume and price information on the Luxembourg Stock Exchange, Euronext Amsterdam and the Johannesburg Stock Exchange over the last 20 trading days of the current financial year needs to exceed € 22.93.

The performance fee and management fee are payable to Reinet Investment Advisors Limited.

Tax provisions relate to realised and unrealised gains arising from the investments in Trilantic Capital Partners, together with withholding and corporate taxes relating to the investment in United States land development and mortgages.

The BAT dividend receivable has a record date of 28 June 2024 and a payment date of 2 August 2024.

CAPITAL STRUCTURE

As at 30 June 2024 and 31 March 2024, there were 195 941 286 ordinary shares and 1 000 management shares in issue.

As at 30 June 2024 and 31 March 2024, the Company held 14 151 395 ordinary shares as treasury shares. The voting and dividend rights attached to the treasury shares are suspended. Therefore, the total number of voting rights at 30 June 2024 and 31 March 2024 was 181 790 891.

SHARE INFORMATION

The Company's ordinary shares are listed and traded on the Luxembourg Stock Exchange (symbol 'REINI', Refinitiv code REIT.LU), on Euronext Amsterdam (symbol 'REINA', Refinitiv code REIT.AS) and on the Johannesburg Stock Exchange (symbol 'RNI', Refinitiv code RNIJ.J) with the ISIN number LU0383812293; the listing on the Johannesburg Stock Exchange is a secondary listing. The Company's ordinary shares are included in the 'LuxX' index of the principal shares traded on the Luxembourg Stock Exchange.

DATA PROTECTION

The Data Protection Information Notice is available on the Company's website (www.reinet.com/investor-relations/data-protection.html), which is intended to provide investors with detailed information regarding the processing of their personal data, as well as the Privacy Policy (www.reinet.com/privacy-policy.html), which is intended to provide users of the Company's website with information regarding the processing of their personal data resulting from the use of the Company's website and/or from requests made via the Company's website.

Reinet Investments Manager S.A.
General Partner
For and on behalf of Reinet Investments S.C.A.

Website: www.reinet.com