Sasfin Holdings Limited (Incorporated in the Republic of South Africa) (Registration number 1987/002097/06) Ordinary share code: SFN Preference share code: SFNP ("Company" or "Group")

ISIN: ZAE000006565 ISIN: ZAE000060273

TRADING STATEMENT AND UPDATE FOR THE TWELVE MONTHS ENDED 30 JUNE 2020

In accordance with section 3.4(b) of the JSE Listings Requirements, shareholders are advised of the following expectations regarding our financial results for the twelve months ended 30 June 2020:

- headline loss per share of between 156 cents and 148 cents, in comparison to headline earnings per share of 501.00 cents reported for the full year ended 30 June 2019 ("Previous Corresponding Period"). This equates to a headline loss of between R50.1 million and R47.7 million; and
- loss per share of between 192 cents and 183 cents, in comparison to earnings per share of 459.86 cents reported for the Previous Corresponding Period. This equates to a loss of between R62.0m and R59.0m.

The loss for the year is largely as a result of increased IFRS9 credit impairment provisions and a decline in private equity valuations, attributable to the very weak economy exacerbated by Covid-19 and the sovereign downgrade. As both IFRS 9 credit provisioning and private equity valuations consider the weakened macro-economic outlook, these adjustments are expected to be largely once off in nature.

In addition to supporting our clients and staff during the Covid-19 pandemic, the focus during the second half of the financial year was on ensuring a strong balance sheet to withstand further shocks to the economy. This is demonstrated by net available cash of R2.38bn (up from R2.07bn in 2019) and improvements in our key regulatory liquidity, funding and capital ratios, which are well above the Prudential Authority minimum requirements.

South African businesses have come under increasing pressure; accordingly, our stage 3 (non-performing) loans have increased to 10.09% of total loans, from 9.18% in 2019. This, together with forward looking overlays raised against our stage 1 (performing) loans, has resulted in:

- an increase in our balance sheet coverage ratio to slightly less than 8% (2019: 5.09%); and
- an increase in our income statement credit-loss ratio to approximately 300 bps (2019: 102 bps)

Sasfin Wealth posted a record growth in assets under advice and management of 18.45% to R48.7bn, with foreign assets now comprising 35% of total assets under management.

The Group's meaningful ongoing investment in digitalisation ensures that we are transforming the way we work and the banking experience of our clients, which will allow us to optimise our service delivery and cost base in the future. This, together with the prudent steps taken in the last six months in strengthening our capital and liquidity base, will ensure that the Group is well positioned to take advantage of both organic and acquisitive growth opportunities.

Shareholders are advised that the forecast financial information on which the trading statement is based, has not been reviewed nor reported on by the Group's external auditors. The Group's financial results will be released on or about 30 September 2020.

Johannesburg

11 September 2020

Sponsor Sasfin Capital (a member of the Sasfin group)

Independent Sponsor Deloitte & Touche Sponsor Services (Pty) Ltd