

**CSG HOLDINGS LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number: 2006/011359/06)

Share code: CSG

ISIN: ZAE000184438

("CSG" or "the Company")



---

**REVIEWED PROVISIONAL CONDENSED CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 MARCH 2020**

---

**1. SALIENT FEATURES**

- Revenue from continuing operations decreased by 12% from R1,99 billion in the prior corresponding period to R1,75 billion.
- The basic loss per share improved to a loss of 15,52 cents per share, compared to a loss of 28,61 cents per share reported for the prior year, mainly as a result of the recognition of a smaller impairment of goodwill in 2020 relating to the Covid-19 pandemic, in comparison to the impairment of R200 million recorded in the prior year relating to the poor performance of the Security and Risk Solution division.
- Headline earnings per share deteriorated from 4,99 cents per share to a loss of 8,69 cents per share due to weaker performance across all three divisions, worsened by the poor performance of 7Arrows and Revert Risk Management in the Security and Risk Solutions division and the accounting of additional future credit losses resulting from the COVID-19 pandemic.
- Cash generated by operations increased by 79% to R133,58 million

The CSG's group performance reflected a combination of the current challenging business environment worsened by the impact of the Covid-19 pandemic (accounting of future credit losses and impairments). Performance of the Security and Risk Solutions division remained a challenge. Cash generated and cash conversions remain positive.

As noted in the SENS dated 26 June 2020, shareholders were advised that, the Company, through its wholly-owned subsidiary, 7 Arrows Security Proprietary Limited ("7 Arrows"), entered into an agreement with Fidelity ADT Monitoring Proprietary Limited, in terms of which the Company will sell a certain specified part of the armed response and monitoring business

of 7 Arrows, and a certain specified part of the residential guarding business of 7 Arrows for a disposal consideration of R65,850,000 (sixty-five million eighty hundred and fifty thousand Rand), which consideration is subject to adjustment as set out in the full announcement.

## 2. SHORT-FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the directors of the Company. It contains only a summary of the information in the full announcement (“**Full Announcement**”) and does not contain full or complete details. The Full Announcement can be found at:

<https://senspdf.jse.co.za/documents/2020/JSE/ISSE/CSG/CSGFY20.pdf>

Copies of the Full Announcement is also available for viewing on the Company’s website at <https://csgholdings.co.za/investor-relations/> or may be requested in person, at the Company’s registered office or the office of the sponsor, at no charge, during office hours.

Any investment decisions by investors and/or shareholders should be based on consideration of the Full Announcement, as a whole.

This short-form announcement has been based on the financial results for the year ended 31 March 2020, which have been reviewed by the Company’s auditors BDO South Africa Incorporated, who expressed an unmodified review conclusion thereon.

1 July 2020

Sponsor

PSG Capital



PSG CAPITAL