

Motus Holdings Limited

Incorporated in the Republic of South Africa

Registration number: 2017/451730/06

ISIN: ZAE000261913

Share code: MTH

("Motus")

VOLUNTARY ANNOUNCEMENT

Impact of COVID-19

The alarming increase in global COVID-19 infections has resulted in many countries having to re-institute certain restrictions and curfews on people's movements, especially in Europe and the United Kingdom (UK).

Domestically, the situation is more positive where the daily fatality rate has fallen although the daily rate of infections has edged up further. There are also mixed concerns of a second wave of infections which could be exacerbated by the festive season.

The UK lockdown which commenced on 5 November 2020 will impact the UK businesses negatively, the extent is currently unknown. The government salary support (furlough) will be re-introduced for the month of November 2020.

In Australia, Melbourne is coming out of lockdown which will be positive for the Ballarat and Pakenham businesses, and there have been no further lockdowns in Sydney.

The uncertainty around the impact and extent of the COVID-19 crisis persists and will not change in the short to medium term. Motus will continue to adapt to the new operating and trading environment as it evolves.

South African economy

Important developments with regard to fighting corruption, embarking on an infrastructural investment programme with the private sector, freeing up the electricity supply network, providing greater certainty with regard to land reform and launching broadband spectrum have provided a positive view for South Africa. Despite the above, the probability of further ratings downgrades when rating agencies review the country's credit ratings towards the end of November 2020 is a possibility.

Vehicle market

In South Africa, new vehicle sales are improving with average volumes for the last four months amounting to 35 400 vehicles per month (prior year average per month at 45 026). The Motus Importer brands retail sales via dealerships have declined by 17% for the 10 months.

Total SA Market	October YTD 2019	October YTD 2020
Passenger	295 016	196 664
LCV	132 081	88 873
Other	23 161	18 460
Total	450 258	303 997

Source: Naamsa

Management projections for new vehicle sales for calendar 2020 remain at between 355 000 to 375 000 vehicles, with growth from this base projected at 420 000 to 440 000 vehicles in calendar 2021. The vehicle market for the 12 months to December 2019 was 536 000 units, so the decline will be approximately 30% (however the vehicle rental and government purchases account for 10% of the decline so the dealership decline will be in the region of 20%).

Outlook and guidance

Despite the negative impact of the COVID-19 crises on the economies in which we operate and its impact on the Motus business, we provide the following guidance with regard to the projected financial results for the six months ending 31 December 2020:

	Projected range 31 December 2020	Actual 31 December 2019	Range
Profit before tax	R1,110 billion to R1,245 billion	R1,243 billion	-10% to 0%
Earnings per share	430 cents to 505 cents per share	479 cents per share	-10% to +5%

The liquidity position remains strong, supported by significant unutilised banking facilities. Motus remains well within original bank covenant levels with sufficient headroom.

Motus will continue to assess the impact of the virus on the business and will provide further updates if and when appropriate.

The information contained in this announcement has not been reviewed or reported on by Motus' external auditors.

The interim financial results of the Group for the six months ending 31 December 2020 will be published on 24 February 2021.

By order of the Board

6 November 2020

Sponsor

The Standard Bank of South Africa Limited

Disclaimers:

Certain statements in this document are not reported financial results or historical information, but forward-looking statements. These statements contains the views and forecasts of management at the time of the publication of this announcement and are predictions of or indicate future events, trends, future prospects, objectives, earnings or plans. If one or more of these risks materialise, or should underlying assumptions prove incorrect, the actual results may differ materially from those anticipated. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward- looking statements. Forward-looking statements apply only as of the date on which they are made, and we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.