

SASFIN HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration Number 1987/002097/06)
("Sasfin" or "the Company")
Ordinary share code: SFN ISIN: ZAE000006565
Preference share code: SFNP ISIN: ZAE000060273

TRADING UPDATE FOR THE THREE-MONTH PERIOD ENDED 30 SEPTEMBER 2020

Local and world markets remain volatile and uncertain as a result of the Covid-19 pandemic. The full extent of the consequential impact of the significant job losses, tax erosion and increased fiscal debt levels on South African businesses and our economy remains to be seen.

Against this backdrop, as anticipated, Sasfin continues to experience lower lending volumes and high arrears. Positively, Sasfin has experienced income growth due to enhanced margins in Sasfin Bank and continued growth in Sasfin Wealth as well as cost reduction.

The combination of higher income, lower costs and increased impairments has resulted in the Group returning to profitability for the three months ending 30 September 2020. Shareholders are reminded that private equity valuations are updated, and model-based credit impairments are recalibrated twice a year, and will have an impact on our half year results to 31 December 2020. The nature of this impact will depend on trading conditions over the balance of the period as well as any change in forward-looking economic assumptions from June 2020 to December 2020.

The Group Capital Adequacy Ratio and Liquidity Coverage Ratio remain healthy and, at the end of September 2020 were 17.284% and 248.81% respectively, well above the minimum regulatory requirements.

Shareholders are advised that good progress is being made in building additional capabilities to grow SME lending on the back of the \$35 million loan guarantee facility (Nasira) received from the FMO (The Dutch Development Bank), and that we successfully refinanced R413m of SASP (South African Securitisation Program) notes in November 2020.

Shareholders are also reminded of the intention of the Board to repurchase the Sasfin preference shares and that the sale of Sasfin Wealth's 21.10% interest in Efficient Group Proprietary Limited, which remains on track, is subject to the conclusion of the suspensive conditions, as announced on 5 October 2020.

The financial information and any forward-looking statements in this announcement have not been reviewed nor reported on by the Company's external auditors.

Johannesburg
26 November 2020

Sponsor: Sasfin Capital (a member of the Sasfin Group)

Independent Sponsor: Deloitte & Touche Sponsor Services Proprietary Limited