

LONG4LIFE LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2016/216015/06)

Share code: L4L

ISIN: ZAE000243119

("Long4Life" or "the Group")

TRADING STATEMENT

In terms of paragraph 3.4 (b) the Listings Requirements of the JSE Limited, companies are required to publish a trading statement as soon as they are reasonably certain that the financial results for the period to be reported upon next will differ by at least 20% from the financial results for the previous corresponding period.

Shareholders are advised that the Group has performed pleasingly in the six months to 31 August 2021 ("the period"), and is expecting to report earnings per share ("EPS") as well as headline earnings per share ("HEPS") of between 19,6 and 22,0 cents for the period. This translates to an increase in EPS and HEPS of more than 100% from the corresponding six months ended 31 August 2020.

In order to provide a more meaningful comparative analysis of the Group's performance given the substantial impact of the hard lockdown in the corresponding period's results, financial comparisons in this trading update are provided against both the corresponding period as well as against the six months ended 31 August 2019 ("August 19 pre-COVID period").

HEPS and EPS is expected to increase between 35% and 52% against the August 19 pre-COVID period despite the continued impact of the pandemic and third wave lockdown restrictions on the various businesses. The effect of the share buy-back program undertaken in prior periods is yielding positively on HEPS and EPS.

	Expected Range for interim period	Compared against August 20 period		Compared against August 19 pre-COVID period	
	H1 2022	Actual H1 2021	% change H1 2022 v H1 2021	Actual H1 2020	% change H1 2022 v H1 2020
HEPS (cents per share)	19.6 - 22.0	0.8	> 100%	14.5	35% to 52%
EPS (cents per share)	19.6 - 22.0	0.8	> 100%	14.5	35% to 52%
Weighted average number of shares (000)	636 597	765 407		875 187	

Trading in the Sport and Recreation division in the period was at similar levels to the August 19 pre-COVID period, a satisfactory performance when taking into consideration the impact of the third wave of infections, the civil unrest in Kwazulu-Natal (KZN) and Gauteng as well as the supply chain constraints during the period. Whilst two stores were extensively looted and damaged in KZN during

the civil unrest, the Group is adequately insured with SASRIA for both assets damage and loss of profits in the looted stores.

The Beverage division's performance in the period has been particularly strong, with trading profit well exceeding the August 19 pre-COVID period, notwithstanding the continued COVID-19 trading restrictions on alcohol sales which hampered demand. Strong demand in Own Brands together with a focus on cost control and return on funds employed has significantly enhanced trading margins and returns in Chill Beverages.

The pandemic continued to impact the Personal Care and Wellness division, with trade muted at Sorbet as customers were hesitant to frequent salons during the third wave of infections. Additionally, the civil unrest weighed heavily on consumer confidence and impacted customer mobility, which hampered trade at salons. Encouragingly, with the easing of restrictions and the warmer weather, trading at the salons has shown improvement in recent weeks. The Clayton-Care sub-acute facilities performed well with strong occupancy levels during the period.

The Group's balance sheet remains strong with significant liquidity. The Group continues to manage working capital and cash resources responsibly, ensuring its balance sheet can provide the platform for growth. Given the seasonality in all three operating divisions, the businesses traditionally benefit from higher operating leverage in the second half of the financial year. Long4life continues to invest for the long-term in line with strategic priorities, with a strong focus on marketing and digital initiatives.

Interim results announcement

Shareholders are advised that the Group expects to release its interim financial results for the six months ended 31 August 2021 on or about Thursday, 14 October 2021. A live webcast of the result presentation is expected to be broadcast at 09:00 on 14 October 2021. A registration link for the webcast will be available on the Company's website at www.long4life.co.za.

The forecast financial information on which this trading statement is based has not been reviewed and reported on by the company's external auditors.

Johannesburg
3 September 2021

Sponsor
The Standard Bank of South Africa Limited