

## SASFIN HOLDINGS LIMITED

(Incorporated in The Republic of South Africa)

(Registration Number 1987/002097/06)

Share code: SFN ISIN: ZAE000006565

("Sasfin" or "the Company")

### SUMMARISED AUDITED CONSOLIDATED ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2022 SHORT FORM ANNOUNCEMENT AND CASH DIVIDEND DECLARATION

At Sasfin we contribute to society by going beyond a bank to enable growth in businesses and the global wealth of our clients.

#### Salient features

##### Key indicators

	2022	2021 <sup>1</sup>	%
Group Headline earnings (Rm)	166.7	141.1	18.19
Group Headline earning per share (cents)	541.81	438.24	23.63
Earnings per share (cents)	597.47	241.20	>100%
Total Income (including associate income) (Rbn)	1.332	1.333	(0.08)
Group profit (Rm)	183.9	77.6	>100.00
Cost to income ratio (%)	78.93	76.21	3.57
Return on equity (%)	10.46	9.46	10.57
Net Asset Value per share (cents)	5 213	4 660	11.86
Total assets (Rbn)	13.117	12.179	7.70
Gross loans and advances (Rbn)	8.606	7.259	18.56
Deposits from customers (Rbn)	5.233	4.733	10.56
Capital adequacy ratio (%)	16.04	17.29	(7.23)
Group coverage ratio (%)	5.08	6.02	(15.61)
Credit loss ratio (bps)	62	118	(47.46)

<sup>1</sup> During the period under review, management became aware that certain prior period transactions may not have been correctly accounted for. A detailed review confirmed that there were errors affecting prior periods which required the restatement and/or reclassification as set out in Note 49 of the Group Annual Financial Statements.

#### Loan growth of R1.35 billion to SA businesses

Over the last couple of years, Sasfin has been strengthening its capacity to grow loans to businesses. Emerging out of COVID-19, Sasfin has seen record growth in loans. Sasfin provides a wide range of credit solutions to businesses including SMEs. This includes entering into a successful US\$50 million arrangement with the Dutch Entrepreneurial Development Bank (FMO), to provide loans to women, youth and COVID-19-impacted businesses through the NASIRA loan program.

#### Business Segment overview

##### Asset Finance

Asset Finance Total Income was R605m (2021: R609m<sup>1</sup>), with a profit of R255m (2021: R289m<sup>1</sup>) for the financial year ended 30 June 2022.

We see continued growth in this business as we increasingly finance new asset types and roll out new products to support our clients. While loan growth exceeded pre-COVID-19 levels, performance was impacted by higher interest rates, which impacted fixed rate deals, as well as increased costs due to the creation of certain specialised operational capabilities in the Pillar.

### *Business and Commercial Banking ("BCB")*

Business and Commercial Banking's Total Income was R303m (2021: R268m<sup>1</sup>), with a loss of R37m (2021:R49m<sup>1</sup> loss) for the financial year ended 30 June 2022.

The improvement in the operating loss was due to total income growing 13.4% resulting from strong growth of 26.2% in loans and advances. This new integrated Pillar, under experienced leadership, is committed to supporting the growth of businesses in South Africa. The Pillar combines excellent customised lending solutions and digital capabilities to provide a holistic client experience. This is evidenced in the improved performance.

### *Sasfin Wealth*

Sasfin Wealth's Total Income was R363m (2021: R345m), with a profit of R58m (2021: R77m) for the financial year ended 30 June 2022.

Sasfin Wealth's underlying performance was good, with total income growing 5%, driven by growth in assets under advice and management to R59.2 billion (2021:R53.9 billion). The reduction in operating profit was mainly due to a once-off operational loss of R45 million. Investment performance remained healthy, and Sasfin Wealth continues to receive recognition and industry accolades.

## **Strategic focus**

### *Pillar focus and platforms for growth*

In BCB, we are taking increased steps to become our clients' primary bank, thereby increasing deposits and non-interest revenue. In Asset Finance, we continue to diversify our pool of assets financed.

In Wealth, we are committed to building a world-class asset management business.

We continue to strengthen our human capital, operational capabilities and technology in each Pillar.

### *People and culture*

Our hybrid working model and new office space in Sandton ensures that we deliver a compelling value proposition to our employees.

### *Distribution drive*

As part of our strategy, we will drive healthy growth in loans, deposits and assets under management.

### *Transform our society*

We deliver value to small businesses through our B\\YOND platform, as well as NASIRA-backed loans offered to women, youth and COVID-19-impacted businesses.

## Cash dividend declaration

The Board of Directors declared a final gross cash dividend for the year ended 30 June 2022 ("dividend") of 120.89814 cents (2021: 131.02000 cents) per share.

The Board of Directors declared an interim gross cash dividend for the period ended 31 December 2021 of 33.95026 cents (2020: nil cents) per share.

The total cash dividend for the financial year ended 30 June 2022 amounts to 154.84826 cents (2021: 131.02000 cents) per share.

The following further information is provided to shareholders with regards to the dividend declaration in respect dividends tax:

- The dividend has been declared from income reserves.
- The dividend withholding tax rate is 20%, and a net dividend of 96.71851 cents (2021: 104.81600 cents) per share will be paid to those shareholders who are not exempt from dividend withholding tax.
- The number of issued ordinary shares at the date of dividend declaration is 32 301 441 (2021: 32 301 441).
- The number of issued ordinary shares (excluding treasury shares) at the date of dividend declaration is 30 772 847 (2021: 30 772 847); and
- The company's tax reference number is 9300204717.

The salient dates relating to the dividend are as follows:

Last day to trade "cum" the dividend	Tuesday, 11 October 2022
Shares commence trading "ex" the dividend	Wednesday, 12 October 2022
Dividend record date	Friday, 14 October 2022
Payment date of dividend	Monday, 17 October 2022

Share certificates may not be dematerialised or rematerialised between Wednesday, 12 October and Friday, 14 October 2022, both days inclusive.

## Short form Announcement

This short-form announcement is the responsibility of the Directors of the Company and is a summary of the information in the full announcement published on SENS on 21 September 2022, and does not contain full or complete details of the full announcement, which is available for viewing on the following websites:

Company's website: <https://www.sasfin.com/investor-relations/>.

JSE website: <https://senspdf.jse.co.za/documents/2022/jse/isse/sfn/sfn2022.pdf>

Although these financial results were themselves not audited, they are extracted from the consolidated and company annual financial statements which were audited by PricewaterhouseCoopers Inc, the Company's external auditors, who issued an unmodified audit opinion on the financial statements. Their audit opinion can be viewed on the Company's website,

and provides the details of certain key audit matters on pages 9 - 17 of the annual financial statements.

Any investment decision by investors and/or shareholders should be based on consideration of the information contained in the full financial results announcement and annual financial statements, copies of which are also available for inspection at our offices or at a secure electronic location, on workdays during business hours (at no charge) on request from the company secretary by e-mail: [charissa.dejager@sasfin.com](mailto:charissa.dejager@sasfin.com).

**Mr. Deon de Kock**  
Chair

**Mr. Michael Sassoon**  
Group Chief Executive Officer

Johannesburg  
21 September 2022

Sponsor: Questco Corporate Services Proprietary Limited